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ASSERTS THEY ARE ACTIVE IN ALL AGENCIES

Is a Witness In McCarthy Case

BY WILLARD EDWARDS

A "moral certainty" that Communist spies have penetrated every security agency in Washington, including his own, was voiced yesterday by Gen. Walter Bedell Smith, director of the central intelligence agency.

The CIA, headed by Gen. Smith since October, 1950, is a high secret organization, charged with intelligence activities abroad.

Smith emphasized that he based his opinion on the known skill and adroitness of Soviet agents in securing vantage posts in foreign governments.

He had no specific knowledge of such agents, he said, but on the basis of their past successes, it was to be assumed they were not only in his own outfit but in every United States security agency. Such agencies would include the FBI and Army and Navy intelligence units.

Reluctant Witness

The reaction of other intelligence departments to Smith's remarks was violent. While the Defense department, the atomic energy commission, and the FBI declined official comment, spokesmen dissented to the general's statement and said it was just Smith's opinion.

"That's a fine one for Nixon and McCarthy to work on!" barked one affronted intelligence officer.

The general was a reluctant witness, summoned to appear for the defense in a pretrial hearing of a two million dollar libel and slander suit of Sen. McCarthy (R) of Wisconsin against Sen. Benton (D) of Connecticut. He

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What had been scheduled as brief and perfunctory testimony turned into a long and protracted hearing as Magee cross-examined the intelligence chief on many phases of the Communist conspiracy here and abroad.

During the course of this questioning, Smith defended John P. Davies Jr., a veteran State department employee, now serving as deputy director of political affairs at Frankfurt, Germany. The Senate Internal Security committee last July declared that Davies had testified falsely in an investigation involving the CIA and recommended a grand jury perjury inquiry.

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ASSERTS ARE ACTIVE IN ALL AGENCIES

He Takes Stand In McCarthy Case

'Shocking,' to G.O.P.

Republican national chairman Arthur E. Summerfield last night said Gen. Walter Bedell Smith's statement about Communists in government was a "shocking revelation" and that the G.O.P. would stage a nationwide expose on the subject tonight. Former Rep. Clare Boothe Luce (R) of Connecticut, will be the speaker over the N.B.C. radio and television networks from 10:30 to 11 p.m. EST, Summerfield said.

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He had no specific knowledge of such agents, he said, but on the basis of their past successes, it was to be assumed they were not only in his own outfit but in every United States security agency. Such agencies would include the FBI and Army and Navy intelligence units.

While the defense department, the atomic energy commission, and the FBI declined official comment, spokesmen dissented to the general's statement and said it was just Smith's opinion.

"That's a fine one for Nixon and McCarthy to work on!" barked one affronted intelligence officer.

The general was a reluctant witness, summoned to appear for the defense in a pre-trial hearing of the two million dollar libel and slander suit of Sen. McCarthy (R) of Wisconsin against Sen. Benton (D) of Connecticut. He had expressed a wish for a closed hearing but McCarthy's attorney, Warren Magee, insisted that the press be admitted to hear Smith's sworn deposition.

Called by Defense

Smith had been summoned by Benton's attorney, Theodore Klendl, to give his opinion of Gen. Marshall, former state secretary and Army chief of staff. In a Senate speech June 14, 1951, McCarthy noted Marshall's role in what he termed a "conspiracy" under which American foreign policy aided Soviet Russia.

McCarthy's libel suit is based upon charges that Benton falsely accused him of deliberate misrepresentation in his campaign against Communists in the State department. Benton, a former assistant state secretary, is basing his defense upon attempts to show that McCarthy did in fact make untrue accusations.

Smith testified that he had not read McCarthy's speech. But if the speech implied that Marshall was party to any conspiracy, it was "completely false," he declared.

What had been scheduled as brief and perfunctory testimony turned into a long and protracted hearing as Magee cross-examined the intelligence chief on many phases of the Communist conspiracy here and abroad.

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COMMIE SPIES ACTIVE IN CIA, SAYS ITS CHIEF

Smith Takes Stand In McCarthy Case

[Continued from first page]

gation involving the CIA and recommended a grand jury perjury inquiry.

Davies was on Smith's staff when the latter was American ambassador to Moscow, 1946-1949, and he had lauded him at the time as "a very loyal and capable officer of sound judgment."

"I still so believe," Smith testified.

Asked if his agency had not attempted to put pressure upon the Senate committee and the Justice department to stifle the investigation of Davies, Smith declined to answer. Any response, he said, would involve the operations of his agency which were "classified."

Hoped for Cooperation

Smith was asked when he first became aware that Russia was a menace to world peace. He said it was in the days following the end of the war, after a brief period in which he and others shared the illusion that "the leopard might have changed its spots." When he went to Moscow as ambassador in 1946, he said, he still had hopes for Soviet cooperation but they were soon dispelled.

The witness said he had no knowledge of Communists in the State department while he was in Moscow. He was reminded of Sen. Benton's testimony that he knew there were Communists in the State department in 1947 when he was an assistant state secretary.

"I believe there are Communists in my own organization," said Smith suddenly. "I don't know them. I wish I did, but I have a moral certainty of it. They are so adroit and adept that they have penetrated every security organization of our government in my opinion."

Smith said he had never heard of the now-famous report of a Senate appropriations subcommittee to State Secretary Marshall in June, 1947, which charged that many Communists were in the State department under Dean Acheson, then assistant secretary.

"I would have been inclined to doubt it then," he admitted. "I believe it now."

Smith was shown an official signal corps photograph taken in January, 1946, when Gen. Marshall was on his ill-fated "China mission" in which he sought to effect a coalition between the Chinese Communists and Chiang Kai-shek. Marshall was shown reviewing troops in company with Chinese Communist leaders, including Mao Tze-tung, Gen. Chou En-lai, and Gen. Chu-teh, all now prominent in Communist China.

Smith said he had no knowledge of Marshall's China mission and was not consulted on it. He conceded that the proposal for a Communist-Nationalist coalition in China had been a mistake.

"We learned at long last," he remarked, "that Communists embrace you only to destroy you."

"Soldier's Opinion" on Reds

Smith testified that he knew nothing about any part played by Marshall in formulating the "unconditional surrender" policy for Germany during the war. It was a mistaken policy, he said, and helped to prolong the war with Germany.

"Can you handle Communists with kid gloves?" asked Magee. "Where the citizenship rights of an American Communist run up against the rights of the United States, which should have priority?"

"As a soldier, my opinion is that no rights transcend the rights of the United States," said Smith, "but the courts have made certain rulings about a citizen's rights that must be observed."

Smith was questioned closely about his acquaintanceship with Mrs. Anna Rosenberg, assistant secretary of defense. He said he knew her "very well" over a seven-year period but had taken no part in her appointment by Marshall. He said he saw Mrs. Rosenberg socially "every ten days or two weeks."

CIA Head Says Reds Infiltrate US Intelligence

WASHINGTON, Sept. 29 (UP)—Gen. Walter Bedell Smith, head of the Government's super-secret Central Intelligence Agency, today said he believes "there are Communists in my own organization... and in practically every agency of the Government."

Smith, who has headed the agency since October, 1950, made the startling statement while giving a deposition in a \$2,000,000 libel suit by Sen. McCarthy (R.-Wis.) against Sen. Benton (D.-Conn.).

The intelligence agency is charged with gathering reports from U.S. agents throughout the world and evaluating them correctly in the light of day-to-day international developments. The reports are revised constantly and brought up to date.

Under questioning at the Benton-McCarthy hearing, Smith said he was "morally certain" that Communists, who are "so adept and adroit," have infiltrated "practically every agency of the government."

"I believe there are Communists in my own organization," he said.

Both Dwight D. Eisenhower and Adlai E. Stevenson, Presidential candidates, are receiving weekly reports from the intelligence agency. The reports are a roundup of significant world events plus estimates of their relationship to U. S. security.

Heretofore the reports have been available only to a very limited group of persons intimately concerned with the nation's critical defense policies. President Truman decided to make them available to Eisenhower and Stevenson to forestall erratic campaign statements.

Smith made his statement shortly after Truman, on a campaign tour in the West, told a Fargo, N. D. audience that his administration had "crushed the Communist conspiracy in this country."

Smith served as U. S. ambassador to Russia from February, 1946, until March 25, 1949.

During World War II he served as chief of staff to Eisenhower, who then commanded all allied forces in Europe. He served in this capacity with Eisenhower from December, 1942, until the end of the war.

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Date: SEP 30 1952

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Reds in CIA Possible, Is View of Vital Agency Head

General Smith Tells
McCarthy Hearing
He Must Assume
Infiltration by Spies

By Murrey Marder
Post Reporter

Gen. Walter Bedell Smith said yesterday that as head of the Central Intelligence Agency he acts on the assumption that some Communists have infiltrated that highly secret organization.

He said he is "morally certain" there are Communists who have worked their way into CIA, even though he has no knowledge of any there.

"They are so adroit and adept that they have infiltrated every security organization of the Government in one way or another," he said.

General Smith made it clear to reporters later that his suspicion of Communist infiltrators was a precautionary attitude on his part.

Applies to All Agencies

He said the head of any "big security organization" should operate on the same assumption.

His statements were made in a matter-of-fact manner while giving a pretrial deposition in Sen. Joseph R. McCarthy's (R-Wis.) two-million-dollar libel-slander suit against Sen. William Benton (D-Conn.). The general appeared surprised at the concern his statement created in some quarters.

Even though the general said, "I do everything I can to detect them (Communists)," some legislators seemed startled by his comments.

If Smith was quoted correctly, said Rep. Kenneth B. Keating (R-N. Y.), "They had better get them (the Communists) out." Sen. Guy M. Corden (R-Oreg.) said, however, "My judgment and his (Smith's) coincide. If there are any air-tight closed doors to Communist infiltration, I haven't found them."

The framework in which Gen. Smith's statement were made was as follows:

Gen. Smith served as United States Ambassador to Russia from 1946 to 1949, covering the period of the launching of the Marshall Plan to bolster Western Europe. He has been head of CIA since October, 1950.

Subpoenaed By Benton

The general was subpoenaed by Senator Benton's attorneys to testify on McCarthy's accusations against Gen. George C. Marshall, father of the Marshall Plan and a longtime close friend of Smith's. Benton contends that McCarthy's attack on Marshall and others shows a pattern of "fraud and deceit" which makes McCarthy unfit for the Senate.

Under questioning by Theodore Kiehl, Benton's attorney, General Smith said he has not studied McCarthy's attacks on Marshall. But "if it is the implication" of the McCarthy charge that Gen. Marshall joined in "a great conspiracy" to aid Russia, said Smith, "then it is completely false."

General Smith, who said he is "devoted" to Marshall, stated, "I know of no one who exceeds and few who equal General Marshall in . . . loyalty, honesty and integrity."

Instead of playing into Russia's hands, as McCarthy charges, the Marshall Plan did just the reverse, Smith said. He quoted an ambassadorial colleague in Moscow who called it "a stroke of genius."

The CIA issue came up during lengthy cross-examination by Sen. McCarthy, Page 2, Col. 3

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Reds in CIA, Smith Says

Warren Magee, McCarthy's attorney.

Magee asked Smith if he believes a statement made by Sen. Benton that there were Communists in the State Department in 1947 when Benton was there as an Assistant Secretary of State.

"I do," replied Smith. "I be-

lieve there are Communists in my own organization."

Asked if he knew of any Communists in CIA, Smith said:

"I wish I did. I do everything I can to detect them."

He told reporters later that he believes Communists agents are so "clever" that "You've got to act on the assumption that you've got a few in the net."

In a subsequent statement, General Smith said.

"Any intelligence agency that did not act on the assumption that it would be penetrated along the line somewhere from charwomen to executives would be criminally negligent and we would be criminally negligent if we did not act on that assumption."

"This is not to reflect on the loyalty of our employees or to suggest that any of our security agencies are riddled with Communists . . .

"One of the elementary precautions of intelligence agents the world over, of course, is the elaborate compartmentalization of work so that individuals below the very top level are not able to gain the whole picture even though they may obtain a part of it. We have to assume that our enemies are as smart as we are and that they will gain entrance from time to time."

"We must maintain a constant vigilance to keep them out, to keep them from gaining vital information if and when they get in, and to discover and remove them as speedily as possible."

General Smith was also questioned by Magee yesterday about John P. Davies, a State Department officer who served under Smith at the Moscow embassy. Frequently accused by McCarthy of being a "pro-Communist," and under similar attack before the Senate's McCarran subcommittee, Davies is now serving as a United States political adviser in Germany.

The McCarran subcommittee has charged that Davies once recommended that CIA seek "guidance" from Communists. Davies has denied that, but said he could not go into details because of security reasons.

Gen. Smith said yesterday that he similarly cannot discuss it because of security considerations. But he denied that CIA ever tried to exert influence on the McCarran Subcommittee in the Davies case. He also said "I do not" regard Davies to be "a pro-Communist."

Earlier yesterday there was another development in the complex Benton-McCarthy proceedings.

In District Court, Judge Matthew F. McGuire took under advisement a request from McCarthy's attorneys that Benton be ordered to answer two questions he has declined to answer. The questions are whether Benton knew the names of any Communists who were in the State Department in 1946-47, and whether Benton should name persons who contributed money to him in the fight against McCarthy.

Judge McGuire said there will be no ruling "for some little time, for reasons I think are perfectly obvious." This was taken to mean there will be no ruling until after November 4, when both Benton and McCarthy are up for reelection.

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Date: 2/6/88

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- ☐ Unclassified
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- ☐ Unclassified
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ALLEN W. DULLES, FORMER OSS OFFICER AND BROTHER OF AMBASSADOR JOHN
 FOSTER DULLES, HAS BEEN NAMED DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE.
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F. Trubee Davison to Join CIA in Personnel Post

By the Associated Press

The Defense Department announced last night that Brig. Gen. F. Trubee Davison, former Assistant Secretary of War for Air, will join the Central Intelligence Agency on July 16.

A spokesman for the CIA confirmed that Gen. Davison will become "a principal assistant" to Lt. Gen. Walter Bedell Smith, head of the agency. He added that Gen. Davison probably would do personnel work. He will not replace any other assistant.

Gen. Davison was Assistant Secretary of War for Air from 1926 to 1932. He has been president of the American Museum of Natural History in New York since 1933. In World War I he was a lieutenant (j. g.) in naval aviation. In World War II he served in the Army. During part of the war he was assistant chief of air staff of the Army Air Force. He holds the Distinguished Service Medal and the Navy Cross.

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Three-Star Rookie in Big-League Intelligence

CIA Chief Aware
 That Mistakes May
 Spell Disaster

By John Scali

General Walter Bedell Smith, a rugged soldier-diplomat who knows the Russians first hand, is well on the way to revamping and streamlining the Government's secret intelligence operations.

If his mission as director of the Central Intelligence Agency succeeds, the Nation can expect a clearer picture of what Russia, or any potential enemy, is plotting.

If he should flop, his explanation, if any, might be drowned out in the roar of world-wide war.

The general, now 56, has tackled many a tough chore for his Government since the day he enlisted in the Indiana National Guard at the age of 15.

After rising from the ranks, he served with outstanding success as Gen. Eisenhower's chief of staff during the last war from the earliest stages until the victorious Allied armies forced Hitler's legions to surrender.



Lt. Gen. Walter Bedell Smith, director of the Central Intelligence Agency, and Bernard M. Baruch, as they appear before a Senate committee. —Harris-Ewing Photo

'Beetle' Smith Has
 Had Some Tough Jobs,
 But None Like This

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Times-Herald

Wash. Post

Wash. News

Wash. Star C-5

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N. Y. Compass

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Later, at the President's request, he doffed his Army khaki and went to Moscow to serve as American Ambassador, one of the most important assignments in the diplomatic service. His achievements from 1946 to 1949 won him the praise and respect of the State Department.

Despite this impressive record it's doubtful that "Beetle," as his friends call him, has ever faced a more pressing assignment, or one in which the odds are stacked so high against him from the very beginning.

Under the best conditions, trying to figure out what the Russians are apt to do, either directly or through their faithful Communist satellites, is a hazardous, uncertain business.

Drafted by Truman

To make the general's task even more difficult the United States ranks as a rookie in the big league of intelligence.

It was only three years ago that Congress, somewhat reluctantly authorized the administration to create a peacetime Central Intelligence Agency. Until then the Government's various departments had gathered their own intelligence and swapped it back and forth on a hit-or-miss basis.

"Now we are trying to do in a big hurry and in time of crisis what it has taken the British some 300 years to accomplish," says one key Government intelligence expert.

President Truman drafted "Beetle" to take over his new job last October 7. At that time critics were still lambasting Central Intelligence with charges that it failed to warn the Government in time of North Korean Communist plans to launch a military invasion of South Korea.

"Beetle" had just returned to active Army duty then and was serving as commanding general of the 1st Army area, with headquarters at Governors Island, N. Y.

A telephone call from the President was all that was needed to make him change back into civilian clothes and head for Washington to see what he could do to strengthen the Nation's intelligence arm.

His predecessor, Rear Admiral Roscoe Hillekoetter, returned to active naval duty in accordance with his wishes. True to the CIA's secrecy traditions, he never replied to the attacks on him or his agency.

"Beetle" took on the job knowing he was no great intelligence expert. During his distinguished Army career, he was primarily a foot soldier; one who stood out because of his grim determination and his almost instinctive ability to brush aside detail and hit the heart of a problem.

But he had a good working knowledge of the intelligence problems of both diplomats and generals from long Army service.

and his tour as Ambassador to Moscow.

Realizing he needed expert advice, he asked William H. Jackson, a New York lawyer, to become his deputy. He didn't even know Jackson personally, but knew that he had served as a colonel in Army intelligence under Gen. Bradley during the war.

And Jackson had spent months in 1948 as part of a three-man team, working under orders of the National Security Council, seeking to find out what was wrong with American intelligence.

He then persuaded Allen Dulles, a second member of the investigating team, to desert his law practice, too, and join CIA as a top consultant.

Mr. Dulles is a brother of John Foster Dulles, Secretary Acheson's Republican foreign policy adviser. During the war he served as one of the most successful "field men" in the wartime Office of Strategic Services. He has been branded as a "spy" by Radio Moscow.

For his top administrator, and custodian of CIA's purse strings, Gen. Smith selected another New Yorker, Murray McConnell, a man who had earned a reputation in the business world for his ability to take over a bankrupt company and put it on its financial feet.

Once he was satisfied with his staff, the general began to reorganize CIA. Using the recommendations of the three-man committee as a blueprint, he has moved quickly and decisively.

Much of what Gen. Smith has done must necessarily remain secret. However, it is possible to report that he has:

1. Ended the long-standing quarrel between CIA and the State Department about who is

responsible for "political intelligence." Gen. Smith has sur-rendered that function solely to the State Department and eliminated duplicating activities in CIA.

2. Channeled CIA's main efforts toward a single goal—producing detailed "national intelligence estimates" which concentrate on trying to evaluate the capabilities and intentions of a potential enemy.

3. Changed the tactics CIA pursues in gathering and writing its reports—"for the better" in the view of most Government agencies which deal with CIA.

4. Buoyed the morale of CIA employees and Government intelligence experts generally.

Perhaps the most important change "Beetle" has made is to start producing the new national intelligence estimates. More than a dozen of these top-secret documents have been compiled thus far.

These booklets are published by CIA after exhaustive conferences with the six Government departments that have intelligence sections—the State, Army, Navy and Air Force Departments, the Atomic Energy Commission and the Federal Bureau of Investigation.

Top Government officials who have seen them describe them as excellent. Even the subject matter is "classified," but it's reasonable to assume CIA put out at least one estimate attempting to predict the intention of the Chinese Communists toward Korea.

Estimates are published by CIA as part of its duty under the law to "co-ordinate and evaluate" the intelligence information funneled to it by other Government departments. They represent not only the

best information on a specific problem but also state what the "facts" mean to the welfare and security of the United States.

Often it means CIA must take the risk of judging the intent of a potential enemy on the basis of the information it has been able to piece together—a process which can and does expose the general to the possibility of being proved a phony prophet.

An estimate of "intent" is given when CIA is convinced it has nearly all of the pieces of the puzzle at hand. When it honestly believes it can't determine "intent" it will say so rather than risk dressing up a hunch or guess as considered opinion.

CIA's new national estimates seem to have the support of all Government intelligence agencies now. In the past the State Department, at least, criticized them frequently on the grounds they were incomplete and misleading.

This behind-the-scenes criticism stemmed mostly from the technique CIA used at that time to write them. Sometimes they were written within CIA and then sent to the various Government intelligence departments for their concurrence or dissent. An agency was expected to object only when an estimate, in its view, was dangerously misleading.

Beetle has reversed the procedure. Experts from each intelligence department in the Government participate in writing national estimates from the very beginning.

Down to Cases

After a first draft is prepared by lower-level experts, the general sits down with the top intelligence directors from outside departments and goes over it point by point to make certain every one agrees. More often than not these final sessions last for hours and important changes are made.

If any one dissents, on any grounds, his dissent is included in the report. There is no attempt, officials say, to whittle a report down to something everybody will agree to.

The general has changed not only the way his estimates are prepared and written but also the purpose behind them. A national estimate, he has ruled, must devote itself to a broad problem which can't be assessed or evaluated adequately by a single department.

Further, he holds, it should deal with an immediate question the answer to which will help the highest Government officials in their day-to-day work.

we can't get detailed dissertations on the political situation in some relatively unimportant country from CIA any more, but we do get reports on what the Russians are doing and planning—which is an awful lot more important," is the way one official sums it up.

Under "Beetle's" new plan of action, a report and analysis of the political situation in Afghanistan, for example, is the job of the State Department's political intelligence experts not for CIA.

Giving the State Department authority for assessing and processing political information has helped restore peace and harmony between the State Department and CIA.

Secretary Acheson and his intelligence chief, W. Parke Armstrong, a former Army intelligence expert, had always maintained that the State Department, with its thousands of diplomats scattered throughout the world, was better equipped to handle the work.

"Beetle's" predecessors kept a good-sized staff of "political experts" whose main task was to check the accuracy of political information which the State Department sent to CIA.

The general and his top aids decided this was an unnecessary duplication and promptly eliminated CIA's more detailed work in this field.

Given Broad Scope

An important, although tiny, fraction of the information CIA receives comes from secret agents who are planted in key areas of the world.

This is the most secret part of any intelligence operation, and American officials are understandably tight-lipped about it.

Presumably these secret agents are responsible to CIA.

Presumably they include experts ranging from atomic scientists to economic and military specialists.

And presumably the general supervises their work. Congress has given him authority to perform "such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally."

The Army, Navy and Air Force intelligence sections send along any military information they believe may be of interest. The State Department maintains a steady flow of important political news from abroad. The Atomic Energy Commission quite naturally specializes in atomic energy information. The FBI forwards any scraps it picks up while trying to protect the Nation's internal security.

In the end, the accuracy of CIA's final reports on a potential enemy's preparedness for war and his intentions will be no stronger than the raw materials these agencies feed to CIA.

If one or more should fall down on the job, then CIA is almost certain to fall, no matter how good a reorganization and co-ordination job "Beetle" does. And the result could spell disaster for the United States.

(Distributed by the Associated Press.)

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Not CIA's Fault

A misguided effort has been made to blame the Central Intelligence Agency for the supposed failure to warn the President of the attempt on his life. Whatever the deficiencies in intelligence about the plot, the fault was definitely not CIA's. Under the National Security Act of 1947 the Central Intelligence Agency is specifically forbidden from engaging in police and internal security activities in the United States and its possessions. In other words, not only is CIA totally out of the Puerto Rican picture, but it would have no business there. The responsibility for predicting the assault, if it could have been predicted, belonged to the Secret Service, which guards the President, and to the FBI, which is generally responsible for internal security. Those who would make the CIA a scapegoat in this case either have political axes to grind or simply do not know the facts.

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Smith Confirmed As CIA Director; Not Sure He'll Stay

By the United Press

The Senate yesterday confirmed Lieut. Gen. Walter Bedell Smith as director of the Central Intelligence Agency although he refused to commit himself permanently to the job.

Some senators have complained, particularly since the surprise Communist attack on South Korea, that the agency is hampered by the fact that its directorship has changed too often.

Smith succeeds Rear Admiral Roscoe H. Hillenkoetter, who, since the Korean invasion, has returned to active sea duty with the Navy.

The vote on Smith's confirmation was put off from Friday until yesterday at the request of Senator Bourke B. Hickenlooper (R., Ia.), who wanted to know whether the Army officer would make the job a "career."

Senator Wayne Morse (R., Ore.), said Smith told him he could not commit himself permanently and that he was being considered for the presidency of a university.

Morse told the Senate, however, that Smith believed the CIA directorship was a "great opportunity to do great public service" and he thought the general's answer was "satisfactory."

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Intelligence Cooperation

One of the major handicaps under which Rear Admiral Roscoe H. Hillenkoetter labored as director of the Central Intelligence Agency was the lack of cooperation from other intelligence agencies, particularly in the military services. To some extent this represented distrust of a new coordinating agency which was not yet dry behind the ears. It also was sometimes a simple matter of rank. Admiral Hillenkoetter was a relatively junior rear admiral, and his former superiors in the services frequently either ignored him or short-circuited him. That is one reason why this newspaper has believed that, other things being equal, the job should go to a qualified civilian.

The new director, Lieut. Gen. Walter Bedell Smith, will have considerable advantage over Admiral Hillenkoetter in this latter respect. Not only is he a high-ranking officer on good terms with and respected by military leaders, he has a commanding personality. He will be able to demand cooperation in the sharing of essential information both by virtue of rank and on the more important ground that he is the direct representative of the President. It goes without saying, of course, that cooperation with CIA is a two-way proposition, but more cooperation no doubt will come naturally as the State Department and the military services feel that CIA measures up to its job.

Admiral Hillenkoetter's selfless devotion to a task he often must have found unpleasant deserves recognition. The difficulties he encountered were formidable. However, he added to them by relying more and more on military confreres he had imported into CIA. The result was the creation of a sort of impervious clique which insulated him from the working part of his agency. It is to be hoped that General Smith will avoid this over-reliance on the military by recruiting his top personnel from the widest variety of sources. Good intelligence is in no small degree a question of good personnel. And this would be insured by continuous direction as well as wise selection. It would be reassuring to have General Smith doff his Army uniform and indicate that he plans to make intelligence a career, for the job is as important as any service he could render to the country.

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Intelligence Failed to Report Red Buildup, Johnson Reveals

Service Has Been Shaken Up, He Says; Secretary 'Hopes' Fighting Will End by March

By John A. Giles

Defense Secretary Johnson has disclosed that no special intelligence report warned of a Red military buildup prior to invasion of South Korea. He also expressed the "hope" that fighting there will end by next March.

But the Secretary, in testimony before a House Appropriations Subcommittee which was released today, indicated that the Nation's intelligence services had been shaken up after the Korean outbreak.

"I think that we have the right to expect now that our intelligence is going to be pretty good," he declared.

The testimony by Mr. Johnson and other top defense officials last month was in behalf of President Truman's request for a \$10 billion supplemental military appropriation.

Repeatedly, the legislators asked the defense leaders if Mr. Truman's request was sufficient, and received the reply that it represented "our best judgment at the present time." But Gen. Bradley, chairman of the Joint Chiefs of Staff, warned that "we must also honestly tell you that we may have to come back later and ask for more."

Chairman Mahon, Democrat of Texas, asked Secretary Johnson how much of the supplemental money would be needed to fight the Korean war and how much for the general expansion of the armed forces.

Mr. Johnson spoke of various unknown factors in making such an estimate. Then he said:

"The other imponderable is that this money for the Korean operation is based on its running the normal course of what it might take for us: (1) to stabilize, (2) to build up the necessary equipment to go forward, and going forward, in accordance with the planning of the Joint Chiefs of Staff and Gen. MacArthur, to the 38th parallel.

"There is more money than we need in Korea if these troops from North Korea should now or at early date withdraw to the 38th parallel. If there should be a perhance misadventure and if the campaign should not move according to the best estimates of Gen. MacArthur and the Joint Chiefs of Staff, we might need more money.

"I think this program is going to run across the next two or three years. The Korean situation, I hope, is a six or eight months proposition."

Representative Sheppard

Democrat of California, asked if the decision two years ago to withdraw American occupying forces from Korea and write it off as a military base "was a decision of top echelon and not at the moment a part of the military conclusions as such?"

"Correct, sir," the secretary replied.

Admiral Sherman, Chief of Naval Operations, said the Communist attack June 25 might have been slowed down or halted sooner if the United States had then had more military strength in the Far East.

Representative Engel, Republican, of Michigan, asked if military weakness plus "the impression that we could not defend Korea would account for the fact that Russia seemed very much surprised that we did defend Korea—does not an easy, vacillating policy in itself invite offensive action, to take a chance to step in?"

"I believe that is the history of such matters," replied the admiral.

Attack Was Planned Well

Representative Sikes, Democrat of Florida, commented that there had to be a buildup of men, materials, equipment and fuel by the North Koreans and said that "surely our intelligence can spot those things."

"The intelligence did spot them and reported Sunday morning raids for a year or so, and that a buildup had existed for a period of a year or so," Mr. Johnson said.

"Was there no report of such a build up just prior to the attacks in Korea?" Mr. Sikes insisted.

"None of a special nature," the Secretary answered.

Gen. Bradley told the committee that "it is now apparent that the aggression in Korea was well planned and well prepared and that militant international Communism inspired the northern invaders."

"It also is apparent that Communism is willing to use arms to gain its ends. This is a fundamental change, and it has forced a change in our estimate of the military needs of the United States. We have come to the only conclusion possible to a free people. We have had enough of aggression, and we have finally drawn a line across its path."

Army Budget Chief Reports

Mr. Johnson admitted that "in the past material for the Army has not received such emphasis—Korea emphasis—that" and Gen. Collins, Army chief of staff, reported that "most of our money is going into the procurement of modern equipment, tanks, anti-aircraft, anti-tanks and the ability to move our troops by air."

Maj. Gen. G. H. Decker, Army budget chief, reported that the Army received only about 10 per cent of the \$8.8 billion appropriated for major procurement by the armed forces in the last three fiscal years.

But a lack of any major ship construction program—made unnecessary now because of the Navy's huge reserve fleets—will mean that the arms procurement program will not have a big impact on the domestic economy, according to the witnesses.

Mr. Johnson said it was estimated that 4 million tons of steel, 170,000 tons of copper and 100,000 tons of aluminum would be required. That will be 4 per cent of the current steel output, 7 per cent of copper production and 14 per cent of the aluminum production, he estimated.

Chairman Mahon asked Air Secretary Finletter and Gen. Vandenberg, Air Force chief of staff, about the role of air power in the Korean war where, he pointed out, ground forces with no air support were winning for the North Koreans.

Air Force Work Defended

"Because the North Koreans are overwhelming in numbers," Mr. Finletter shot back. "Where there is such gross disproportion as there is and has been in Korea between the ground elements, tactical air superiority on its own cannot win the immediate battle."

"Tactical air power must be in relation to ground forces. Tactical air power alone cannot win a war—any more than ground forces alone can win a war. There has to be the proper combination of the two. Therefore, anybody who looks with surprise and dismay at the fact that tactical air power alone was not able to drive out the North Koreans, simply is not facing up to the facts."

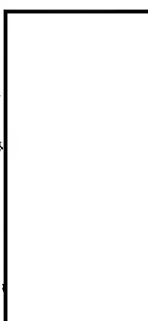
Both Navy and Air Force representatives told the subcommittee that it was felt that the Nation's aircraft industry could meet the expanded needs and it was pointed out that Naval aviation will be kept at the same state of relative readiness as the Air Force. The warplane procurement programs of both will be based on the same rate of modernization.

The Navy will buy 2,377 aircraft, the Air Force 4,428. The cost of jet fighters runs from \$500 thousand to a two-engine night fighter with a great deal of electronics for \$1 million each.

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INTELLIGENCE AIDE — William H. Jackson of Princeton, N. J., who has been selected by Gen. Walter Bedell Smith as deputy chief of the Central Intelligence Agency. Mr. Jackson was deputy intelligence officer on Gen. Omar Bradley's staff during World War II.
 —AP Wirephoto.

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Military Intelligence

NOW THAT LIEUT. GEN. WALTER BEDELL SMITH has been named director of the Central Intelligence Agency, he should be kept in that position long enough to build the agency up to what it ought to be.

That may require the rest of his active life.

Rear Adm. Roscoe Hillenkoetter, the general's predecessor, headed the agency for three years. If the director is to be swapped back and forth between the Army and Navy at three-year intervals, the agency will never be of any great value.

One reason the Federal Bureau of Investigation is the effective organization it is today is the fact that since 1924 it has been headed by one very able man, J. Edgar Hoover.

Mr. Hoover entered the Department of Justice in 1917, and became deputy director of the FBI in 1921. At the time he assumed the directorship, the FBI did not enjoy its present widespread respect. Indeed, under the Harding Administration, it had fallen to low repute. But under Mr. Hoover it has steadily grown in effectiveness and public confidence.

The work of the FBI and Central Intelligence are similar in many respects. But the CIA must be worldwide in its scope which, for America, is pioneering in a new field. Until the last war, this country had not recognized the need for such a service, and the organization formed during the war was allowed to fall apart during the demobilization period. Now a sound intelligence system has become one of the most urgent needs of our defense establishment.

General Smith will need a free hand, plenty of money and all of his time to remedy this deficiency.

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Mr. Clegg	
Mr. Glavin	
Mr. Nichols	✓
Mr. Rosen	
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Mr. Harbo	✓
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MILITARY INTELLIGENCE

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Mr. Glavin	☒
Mr. Nichols	☒
Mr. Rosen	☒
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Mr. Harbo	☒
Mr. Belmont	☒
Mr. Mohr	☒
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Mr. Nease	☒
Miss Gandy	☒

Meet Gen. Smith, New Goat Hillenkoetter Out

WANTED throughout the Nation as a forger, a nationally known crook was trailed through his forgeries to Detroit by FBI operatives.

What were his habits, his likes and dislikes?

He was crazy about baseball, having lived in Brooklyn, and was a movie fan.

So the FBI men went to the movie house playing "Kill the Umpire" and spotted their man as he came out.

Funny? Yes. But it is also expert criminology which takes in all known sciences in the detection of criminals. One of these sciences is psychology whereby the mind and mood of the man sought is known before he is captured. Does a pen or pencil write a scrawl? Is a typewriter touched? Is a bullet fired?

All these questions and ten thousand others are answered almost immediately in the quiet laboratories of the Federal Bureau of Investigation, the world famous NON POLITICAL detection institution created under the blazing leadership and selfless genius of one man, J. Edgar Hoover, great American patriot.



HE AND his staff during the last war blocked every Nazi plot in America. FBI men gave up their lives in Germany and Russia and elsewhere to keep our home front protected. They were in on the plots before they could be hatched. They lived with the criminal Reds as convictions now reveal.

And so now in the greatest hour of national danger this Country has ever known, President Truman takes from the FBI all this power to serve us.

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THE DETROIT FREE PRESS

DETROIT, MICHIGAN

DATE 8-21-50

Three years ago he ordered withdrawn from Europe, South Africa and the Orient the 500 trained criminologists who have been serving as the eyes of our Republic.

In the place of the FBI he has created what he has called the Central Intelligence Agency, which is under his direct control and that of Alben Barkley and other "practical politicians" who are responsible for the Administration.

The great FBI machine stands still as the clouds of wars darken the face of the earth.

It was a lack of information—called intelligence—that made us look so idiotically contradictory when Stalin ordered his North Korean troops to march.

The FBI, by PRESIDENTIAL ORDER must confine its activities to purely domestic investigations and even here Hoover is handcuffed. He can investigate only that which is permitted by his chief, the Attorney General, who just recently retired as Chairman of the Democratic National Committee.

If the greatest criminal saboteur in the Communist world conspiracy were being trailed in Detroit, no FBI man could follow him across the river to Canada.

He would have to call the Central Intelligence Agency at Washington which would no doubt notify Ottawa 48 hours later—if some clerk happened to think about it.



WHEN Mr. Truman created this Central Intelligence Agency there was poured into it all the soft Socialists, fellow travellers and other queer people from the OWI, and other utterly useless appendages to politics—some 4,000 of them.

Modern crime detection is almost as involved and as complicated a science as atomic energy. It also requires character and courage and patriotism that does not always seem necessary in the laboratories where our war secrets are stolen so often for the enemy.

★

BECAUSE of the Korean fiasco there has been terrific pressure on the White House to "shake up" the Central Intelligence Agency.

So it is announced from the White House that Admiral Roscoe H. Hillenkoetter, splendid old sea dog who has been in charge of the C.I.A. is being shipped to sea.

A salutary bluntness is necessary to make clear the truth.

★

The Admiral is the goat.

And now the politicians appoint Lieut. Gen. Walter Bedell Smith, great American, brilliant soldier and splendid citizen to take the Admiral's place.

But he doesn't know any more about crime detection than did Admiral Hillenkoetter.

A New York stock broker has been made his deputy. As with the Admiral, Smith's honorable name is merely a front.

★

THE politicians still control the C.I.A.

No politician of ANY party has ever got as much as a toe into the FBI.

Hoover has defied every effort to use his magnificent organization for political purposes.

And, as they cannot use him, they bench him.

Hoover should be placed in charge of ALL espionage during this war period to save the lives of American soldiers and civilians.

But he hates political corruption and he hates Communists—even as much as he did Nazis.

Nor would the smell of a herring deter him. In the hour of our need Politics is King.

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Gen. Smith Will Head Intelligence

President Truman yesterday picked Lt. Gen. Walter Bedell Smith, former ambassador to Moscow, as director of central intelligence.

The agency heads up all American intelligence. Its job is to gather and analyze reports from diplomatic, military and all other sources.

There have been demands in Congress for a shake-up of the agency since the Korean war. Some legislators contended the United States was caught flat-footed by the invasion of South Korea on June 25 by North Korean Communist troops.

The White House announced that Smith will succeed Rear Adm. Roscoe H. Hillenkoetter around the end of September. Hillenkoetter will take command of a cruiser division at that time.

Presidential Secretary Ross said the change does not indicate any dissatisfaction with Hillenkoetter's work as head of the vitally important agency.

Smith, now 54, has had a long military career, which included service as chief of staff to Gen. Eisenhower in World War II. Later he became ambassador at Moscow. Upon his return to this country he was given command of the 1st army on Governors Island in New York.

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Walter Bedell

ADD 1 SMITH

THE WHITE HOUSE SAID THE SELECTION OF ~~SMITH~~ DID NOT INDICATE ANY DISSATISFACTION WITH THE WORK OF REAR ADM. R. H. HILLENKOETTER, PRESENT CIA HEAD. AMERICAN INTELLIGENCE HAS BEEN SUBJECTED TO MUCH CRITICISM IN AND OUT OF CONGRESS SINCE THE KOREAN WAR BROKE OUT.

WHITE HOUSE PRESS SECRETARY ROSS SAID THAT HILLENKOETTER "HAS BEEN TRYING FOR MONTHS TO GET BACK TO SEA DUTY." HE WILL BE ASSIGNED TO COMMAND A CRUISER DIVISION.

SMITH, CHIEF OF STAFF TO GEN. DWIGHT D. EISENHOWER DURING THE EUROPEAN PHASE OF WORLD WAR II, WILL TAKE OVER CIA IN LATE SEPTEMBER, ASSUMING HE IS CONFIRMED BY THE SENATE.

SMITH, 54, RETURNED FROM HIS MOSCOW POST LAST YEAR BECAUSE OF POOR HEALTH. AFTER RECUPERATING FROM AN ULCER ATTACK, HE WAS ASSIGNED TO COMMANDE OF THE FIRST ARMY WITH HEADQUARTERS IN NEW YORK.

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WASHINGTON CITY NEWS SERVICE

Flaw In Intelligence

The question regarding the efficacy of the Central Intelligence Agency raised in three Washington papers within the past few days are of the most vital importance to the security of the United States.

The great problem remaining is whether or not CIA is going to muffle the biggest question of them all. "If the Russians intend to attack us, where and when are they going to do it?"

I do not wish to over-simplify a highly technical business, but the simple truth of the matter is that under its present set-up it is virtually impossible for CIA to function properly. This is not hindsight. The concept of an intelligence system considered correct by the most experienced technicians in this difficult field was set forth in a report of the House Military Affairs Committee dated December 17, 1946.

In this report (79th Congress, House Report No. 2734), it was made clear that CIA should be primarily devoted to coordination, evaluation, and dissemination. Stripped of its bureaucratic language, this means that CIA was to let the many other skilled agencies of the Government continue to collect raw information as they had always done in the past; CIA was to concentrate on evaluating any and all of this information that had national significance, and was to see to it that the evaluations got to the right people.

As a matter of fact, CIA was set up correctly by presidential directive on January 22, 1946. At that time Admiral Sidney W. Souers was placed in charge and his first table of organization called for no more than 66 subordinates, highly trained in the field of intelligence.

Admiral Souers' successor, Gen. Hoyt S. Vandenberg, changed all that. He promptly stated when he became head of CIA that he wasn't going to run any "coordinating sewing circle." He put CIA into the business of collecting, broke up existing intelligence systems which had been doing useful work, started his own secret gathering agency, aroused undying enmity and continuing suspicion among the other Government departments.

In the summer of 1947 hearings were held by the House Committee on Expenditures in the Executive Departments regarding the intelligence phase of the unification bill. A handful of intelligence technicians pleaded for a return to the original concept of CIA, that of a small-sized, highly-trained unit with its emphasis on evaluation; that is, on trying to understand the meaning of events. A parade of big brass in uniform, led by General Vandenberg, opposed the idea; they wanted CIA to run the whole show and couldn't understand or wouldn't, why it was physically and psychologically virtually impossible.

Despite the formidable array of brass, it looked for a time as though CIA was going to be restricted to coordination, evaluation, and dissemination. Congressmen Hoffman, Busbey, Chenoweth and others expressed themselves as convinced. But the opposition finally carried the day. Representative Wadsworth saw to the rewriting of the bill to the end that CIA could grow ever bigger and bigger, to the hopeless and helpless spot where it is today.

PETER VISCHER

Port Tobacco, Md.

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Halfway Intelligence

Reports are current that David K. E. Bruce may be offered the job of Director of Central Intelligence to succeed Rear Admiral Roscoe H. Hillenkoetter. We hope they are true. Mr. Bruce, who is now Ambassador to France, is a top-notch public servant who would add stature and valuable experience to the Central Intelligence Agency. He had a noteworthy wartime career in the OSS, is a profound student of the intelligence function, has an unrivaled experience of the systems operated by other countries, and has turned out to be an accomplished diplomat.

CIA does not have the stature it should have as the eyes and ears of the Government. Whether this is because it is a new agency superimposed on existing intelligence operations, or because it is presided over by a military man of relatively junior rank, it is a fact. At any rate, other agencies, notably the State and Defense Departments, do not trust CIA, and will not take its reports seriously. This is a major defect which is merely emphasized by some of the roundabout channels set up for relaying important information. The function of CIA, moreover, seems to have been misconceived by its director. Admiral Hillenkoetter told inquiring Senators the other day that it was not the duty of CIA to evaluate its reports or make any predictions about intentions of other countries.

Precisely what, then, is its function? The furnishing of background information about "capabilities" of other countries, such as was done on Korea, leaves out the essential ingredient. CIA is not expected to consult a crystal ball, but it is relied upon to assemble the best experts to give meaning to the information it furnishes. Indeed, it is clear from the debate which preceded the formal establishment of the CIA in the National Security Act of 1947 that evaluation was regarded as its major task. It was supposed to correlate and direct the efforts of existing intelligence agencies, fill in the gaps, and above all evaluate the intelligence produced.

Without expert evaluation intelligence is like unknaded dough. Perhaps the worst feature is that lack of evaluation plays right into Russian hands. It is not the fact that one country has troops massed on the border of another country that is significant, but what is intended by those troops. If the function of intelligence were limited to defining "capabilities," the Russians could have the United States on edge in a dozen trouble spots from Yugoslavia to Tibet. Admiral Hillenkoetter has stated the duty of CIA accurately, then the horizon needs to be lifted.

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CENTRAL INTELLIGENCE AGENCY

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Pearl Harbor All Over Again

Adm. Roscoe Hillenkoetter, director of the Central Intelligence Agency, was summoned before the Senate appropriations committee for questioning concerning statements that his outfit of sleuths and spies had been caught by surprise by the North Korean invasion.

The admiral said it wasn't so. He contended that CIA had known for a year that North Korea was strong enough to invade, but said that the agency could not predict a timetable.

The report of the director could have been more reassuring, for it developed that Izvestia, the official newspaper of the Soviet government, and the Communist party of North Korea had given 15 days' advance notice of their intentions.

How It

Happens

On June 10 Izvestia outlined the plans of the North Korean Communists to hold general elections throughout North and South Korea between August 5 and 8 in order to put all of Korea under a single parliament by August 15, the fifth anniversary of the country's liberation from Japan.

When this was written, the Communists were in control only of North Korea and it was obvious that they could not put such plans into effect without taking South Korea by force in the interim. Here was the tipoff on the invasion, offered to anyone who bothered to read Stalin's official newspaper.

But even more disconcerting was Adm. Hillenkoetter's statement to the senators that, while the CIA is charged with gathering information, it is not the function of the agency to evaluate the information or to make predictions about intentions. It may be asked what use intelligence is if no one undertakes to appraise the information gathered and seeks to determine coming hostile actions.

This is almost precisely the situation that prevailed when Pearl Harbor was attacked and the Roosevelt administration, with a wealth of information at its disposal reflecting Japanese intentions, professed to have been taken by surprise.

We had broken the Japanese secret code months before the attack and were reading, so to speak, over the shoulders of the leaders of the Japanese government; yet, when the question was later asked why the information had not been put to better use, the man who then was chief of Army intelligence said that evaluation was not considered as important as the concealment of a "military secret of incalculable value."

Thus the code breaking advantage was not employed to put American forces on the alert against indicated hostile dispositions and moves. The leading idea of all concerned was to hide from the Japanese the knowledge that we had cracked their code.

Almost nine years later, American intelligence operations are found to be as disorganized as when Pearl Harbor was caught with its planes down. If it isn't the duty of Hillenkoetter's outfit to evaluate intelligence information, whose duty is it? Without evaluation, intelligence is precisely as useful as a man without a head.

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... the factionalism which has rent
 ... Washington is full of
 ... that it has become a junkyard of
 ... experts who are more interested in
 ... in policy matters and in grinding
 ... than in the day-to-day quest for objec-
 ... truth. Agencies dealing with CIA, par-
 ... ticularly the State Department, complain
 ... of gross failures in evaluation and of im-
 ... possible delays, as well as a tendency to
 ... cry "wolf." It sometimes seems that after
 ... CIA gets the intelligence it does not know
 ... what to do with it. One high defense leader,
 ... for example, so distrusts CIA that he relies
 ... on British intelligence. This is hardly a
 ... good advertisement for the kind of front-
 ... line agency we need, and seems to imply
 ... that the CIA has become a sort of albatross
 ... around the Administration's neck. Added
 ... to this is the fact that the director, Rear
 ... Admiral Roscoe H. Hillenkoetter, is known
 ... to be anxious to return to his military ca-
 ... der. How can the CIA develop stability and
 ... continuity under these circumstances?

Only a nonpolitical civilian of national standing, and a man devoid of outside ambitions and of devotion to the military hierarchy, can give CIA the necessary leadership that the country's security requires. Such persons exist, and the President ought to be looking now for the best qualified man to appoint when Admiral Hillenkoetter leaves. Central Intelligence is peculiarly an agency that must be taken on faith, since there is no public scrutiny of its activities. It is the responsibility of the President and the National Security Council to make sure that that faith is justified. If they are proved negligent or wrong, it will be too late to do anything about it. The task has been shirked in spite of repeated reminders that it is overdue.

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Lodge Proposes Program Of Subversion in Russia

By the Associated Press

NEW YORK, Mar. 13.—Representative Lodge, Republican of Connecticut proposes that "a front of internal aggression" be formed within the U. S. S. R.

He called yesterday for a "war of subversion" against Russia in an effort to end the cold war and international stalemate.

He said only a "clandestine effort"—costing three or four hundred million dollars—"can possibly break the deadlock and precipitate reliable agreements with the Kremlin in many critical areas of the world."

Mr. Lodge made the proposal in a speech at a rally closing a two-day celebration of the Hungarian revolution in 1948, held under auspices of the American Hungarian Federation.

Mr. Lodge was asked how he would put such a campaign into action. His reply was, "That would be up to the C. I. A."

The United States Central Intelligence Agency, according to the Congressional Directory, has the duty of co-ordinating intelligence activities of the Government in the interests of national security.

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Washington Nightmare:

Any Appeal? No, the Man Said, Smiling

By EDWARD F. DANIEL

Washington, Mar. 10.—I was still unready to give up. Flaherty, personnel director of the Central Intelligence Agency, had just told me bluntly that there was no appeal. I had been adjudged a "security risk" and I would not be told why, and there was nothing I could do about it.

I would not even know whether the judgments of man or machines—in this instance, Keeler's lie detector—had sealed my fate. I could spend the rest of my days and nights wondering what it was that had placed me under suspicion.

"Do I have any recourse?" I asked Flaherty.

"Yes, you do. You can see me. That's what you're doing."

"File. Will you review the case?"

"No."

"Will you tell me what standards I don't meet?"

"No."

"Well, what are the standards?"

He shook his head, smiling pleasantly.

"Will You Look at the Case?"

"Will you look at the case to satisfy yourself that an injustice hasn't been committed?"

"Well, I'll tell you," he said slowly, looking down at the pencil in his hands. "I won't say that I'm not interested in this case, but this really isn't my business. It's security's job."

"And if I refuse to resign?"

"You'll get a letter from me in a couple of days."

"Saying what?"

"Saying, Dear Mr. Daniel, as per our conversation of such and such a date, your employment with the Central Intelligence

EDITOR'S NOTE

The Post herewith presents the fifth instalment of the first person story of an episode behind the closed doors of the government's super-secret "Central Intelligence Agency."

All names in these articles are fictitious; but the story is true. And it happened in our time in Washington, D. C.

This newspaper touches for the patriotism and integrity of the author, he, in turn, is prepared to come forward and tell his story to any Congressional Committee.

Agency is hereby terminated, effective close of business, such and such a date."

"Look, how far will something like this plague me?" I asked.

"What will you people tell a prospective employer of mine who asks you for a reference?"

"We'll send him a copy of your personnel jacket."

"Which is what?"

"It's a description of your employment here: the date you were employed, your title, salary, efficiency ratings (if any), and the date you left, with a copy of your resignation or our letter of termination to you."

"But that just begs the question," I commented. "What do you tell him when he asks why I resigned, or what our discussion was on such and such a date?"

"Well, in that case we refer him to you," he answered with the same pleasant smile.

"You mean I can lie and the agency won't tell—is that it?"

"That's not what I said," he corrected me. "It's just that we don't give out that information."

"But I can say anything I want?"

"Well—anything within reason," he smiled.

"Is There Anyone Else I Can See?"

"Tell me, how much time do I have to let you know whether I'll resign or let you fire me?"

He thought for a moment, puffing out his cheeks and staring absently at a wall. "Let's see—today's Wednesday. I'll have to start action on this case by Friday."

"Look, is there anyone else I can see?" I asked, feeling a little desperate.

"Sure," he said soothingly. "Whom would you like to see?"

"The Admiral, if I may." ("The Admiral" is the Director of Central Intelligence Agency.)

"Well," he said with only slight hesitation, "you can see him."

But he's going out of town and won't be back for two weeks.

And, as I said, I've got to have a decision in this case in a couple of days. Anyway, you would probably be shifted to his aide, Colonel Burns. I think he's available. Would you like to see him?"

"Yes, I'd like to see him."

Flaherty picked up the phone, dialed a number, and asked for "the Colonel."

"Hello Colonel. This is Mr. Flaherty. There's a Mr. Daniel here who would like to see the Admiral. I told him that the Admiral was going out of town and wouldn't be back for some time, and he'd like to see you. Can you see him?"

He listened to the answer. "What? Oh, yes, yes. All right Colonel. Thank you."

I walked over to the Administration Building, which houses

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'Trial' of an American

Continued from Page 2

the director of the agency and his immediate staff, where I waited in the main floor reception room.

During most of the wait I was alone with the receptionist, a fortyish young lady trying valiantly to look twentyish, but not quite coming off with it. She gazed from one of the room's high windows into a meticulously kept courtyard, lush with rhododendron and small evergreens, and shaded by ancient elms.

"It's so pretty heah," she said in a languid Southern accent. "Just like a college campus." When the phone rang she answered it pleasantly, seeming not to mind the interruption. Then she hung up, turned to me, and said: "You can go up now."

Colonel Burns was a long, thin

man with bony features. He seemed to be folded into his chair, looking very prosperous in a tan gabardine suit. The crown of his head, completely bald, was very brown and was ringed by jet black hair flecked with silvery gray.

When I asked if he was familiar with my case, he said that Mr. Flaherty had "briefed" him. "What can I do for you?" he asked with a deferential nod and a pleasant smile.

'What Am I

Suspected Of?'

I pointed out that I understood, and did not question, the agency's legal right to ask for my reputation or to dismiss me summarily. I had been working with classified information for many years, however, had been security and loyalty cleared only a short

time ago by the "sensitive" Dept. of State, and was therefore amazed at the decision.

What had the agency uncovered, at this late date, if anything, that prompted such a decision? What were the results of the lie detector tests? What was I suspected of?

The Colonel listened with a bored smile, and when I had finished, he twisted in his chair, folding his long legs like a scratching grasshopper, and said very quietly:

"Well Mr. Daniel, I wouldn't worry about the interview if I were you. We've all taken the test here, and that's just a part of your investigation. Your case is not exceptional. We have at least one such case each week. Of course you think you've been wronged; every person in your

position does. But we feel that we are better qualified to judge.

"After all, considering the special nature of this organization, I would certainly hope that our standards for employment would be special. Now I'll explain your position to you. Under congressional law the Director of the Central Intelligence Agency has the authority to set up standards of employment. When an employee does not meet those standards, the Director may ask him to resign or dismiss him."

Refuses to Reveal

Director's 'Standards'

I asked him if he would tell me what "standards" I had not met. He would not. I asked him if he would tell me what the standards were. He would not.

All of that information was classified, he pointed out, and I

was not cleared for classified information. Neat.

What were the results of the lie detector test? He insisted that he could tell me no more. The results of the test were not available to the person tested.

I asked him if he would look into the case to satisfy himself that an injustice was not being committed. He said he would not.

Finally, I asked him if I had any other recourse. "No," he said calmly with the same pleasant smile, "not any other internal recourse, except of course to see the Admiral. He isn't in at this time, and I assure you that he will tell you only what I have."

It was at this point that I got mad—very mad.

TOMORROW: Why Don't You Give Up?

Lie Detector Tested On CIA Employees

NYHT News Service.

The lie detector is being tested extensively on employees of the Central Intelligence Agency, which is charged with gathering information relating to national security and for that reason requires its workers to be above all suspicion as to personal loyalty and as to associates.

The agency says the device is used only on employees who volunteer, that the sole purpose is to run a large-scale check on the instrument's accuracy, and that the results are not presently weighed in considering an employee's acceptability.

Potentially, if deemed completely reliable, the detector could be used to supplement the questioning done in field investigations to determine the loyalty and consciousness of all Government workers who handle information involving the Nation's

known CIA is such a high operation that no one knows the number of employees or the precise nature of the work, it was difficult to get the details about the use of the lie detector.

However, some information was obtained.

The detector, in this case the Keeler polygraph, has been in use for many months in CIA.

While no worker is compelled to submit to the device's estimate of his veracity, 99 percent of the agency's employees have undergone the test voluntarily, including Admiral Roscoe Henry Hillenkoetter, head of the CIA.

No one has been dismissed because he refused to submit to the test or because of what the graph showed. No one has been dismissed except on the basis of information obtained from individuals questioned during field investigations.

Statutory Right

Under the National Security Act, the CIA has the statutory right to dismiss anyone without giving any reason.

The law creating CIA says: "The director of Central Intelligence may in his discretion terminate the employment of any officer or employee of the agency, without regard to any provisions of the

laws, rules or regulations governing the removal of employees." Agency sources say the use of the detector is just an experiment with the idea being that it may enable the agency to determine the detector's value in questioning persons who offer information to the agency.

The tests are administered by one or another of three CIA employees who have been trained in the detector's use by an expert from the Chicago laboratory of the late Leonarde Keeler, criminologist and developer of the polygraph.

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Ladd ✓
Glavin ✓
Nichols ✓
Rosen ✓
Tracy ✓
Harbo ✓
Mohr ✓
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Nease ✓
Gandy ✓

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U. S. SPIES KILLED IN SECRECY ABROAD

Men of the Central Intelligence Unit Face Peril on Their Own — Few Even Know of Them

WASHINGTON, Oct. 22 (AP)—Agents of the American Government have died in the cold war—heroes whose names you will probably never learn. Some have been tortured.

They were destroyed while working for a world-wide American organization, which the public knows less about than any other unit of its Government—the Central Intelligence Agency.

CIA is living and growing in as much secrecy as is possible in a democracy. Though most of its work is open, routine fact-gathering, a small but vital fraction of it is out-and-out espionage, which can thrive only in the shadows.

The agency has already proved its worth. It was the unit through which President Truman learned that the Russians had exploded an atomic bomb.

It was only one of the five or six agencies which helped to detect the blast. (The agency which perhaps did most has never been publicly mentioned in connection with the achievement.) CIA, however, performed the functions for which it was created. Not only to help gather foreign intelligence but also to protect all the agencies

CIA reports are received by the defense and diplomacy. The armed forces, and the State Department also get intelligence reports from their own intelligence units, but the CIA reports are based on the information that all the units turn up.

The agency was created under the unification bill, the National Defense Act of 1947. Under another bill, approved by the President on June 20 of this year, it received unprecedented authority to conduct its affairs in the utmost secrecy.

Explanation Made by Tydings

Senator Millard E. Tydings, Democrat, of Maryland, chairman of the Senate Armed Services Committee, in pleading on May 27 for the Senate to pass that bill without receiving any details whatever as to the need for it, made these remarks:

"The reason why there must be secrecy is that we do not want them to lose their lives. The work to which the bill relates is dangerous work. In many localities where representatives of our Government may go in quest of information, if they are detected they are likely to pay for their adventuresome work with their very lives. Several have already lost their

lives, and not under very pretty circumstances. Because, quite often, if they are detected they are forced to tell why they are there, and the picture is not a pretty one. If there are vouchers containing names and the circumstances going through government channels it might be possible for foreign espionage agents to check on who the agents are.

"Expert men, skilled in detecting from little things the probabilities, are quite often able to detect who the agents are, and in that way they are tracked down and lose their lives."

There are no medals for heroes on the secret front in the cold war. The government cannot even

admit the are its agents and claim their bodies if they die. The best their survivors can hope for is that they will be aided through the Employees' Compensation Act.

The secrecy which shrouds CIA has never been equalled by any other United States government unit in time of peace.

The agency has offices in twenty-two separate buildings and warehouses in this city, and in addition, many field stations in the United States and abroad. But you never see the name of Central Intelligence Agency over the doors. At its main headquarters here, in the old Naval Hospital, you read just the address: 2430 E Street, N. W.

The unit undoubtedly receives

many millions of dollars from Treasury each year, but its name never appears in the Federal get or in appropriation bills. funds are hidden in the appropriations of other departments and the armed services.

For three years no figure has been published on CIA personnel. The Civil Service Commission has no jurisdiction over CIA employees. The Atomic Energy Commission, widely regarded as an ultra-secret agency, is garrulous in comparison to the CIA. AEC's personnel, salaries and appropriations are published. The need for extreme secrecy is generally conceded among officials here. spy system is not secret worthless.

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Oct 23, 1944

Matter of Fact

Lovett Top Choice for CIA Head

By Joseph Alsop

THE "help wanted" sign is now out for a man to fill one of the most vitally important posts in the Government—that of director of the Central Intelligence Agency. Under any circumstances this is a key job, since the CIA chief directs all American clandestine activities and secret intelligence efforts abroad. And the job is certain to become even more crucial simply because, in all the plans for a new Asiatic policy which are now being drawn up, secret operations necessarily play a decisive part.

The present CIA chief is Rear Admiral Roscoe Hillenkoeter, who is generally conceded to have done a satisfactory job in the difficult first two years of the agency's existence. Moreover, Hillenkoeter has demonstrated the essential and very rare ability necessary to persuade Congress to sign a large blank check; in this session Hillenkoeter actually got a larger concealed appropriation than he asked for.

Yet Hillenkoeter is a regular service officer, out-ranked by all the top officers in the Pentagon, to which he must some day return. This is one reason why he has not always been able to resist the Pentagon's tendency to slough off important jobs, for whom no useful employment can be found, on the CIA. Moreover, Hillenkoeter's is a temporary appointment. It is generally agreed that when he goes he should be replaced by a civilian, under no obligation to anyone, willing to take the CIA job on a permanent basis, and of sufficient stature and reputation to deal on equal terms with the most important men in the Government.

Dulles' Name Dropped

THE search for this paragon is now taking the form of long lists which are being drawn up in the State Department and the Pentagon, and submitted to President Truman. The search is complicated by two factors. For one thing, if, as seems likely, the CIA chief's salary is raised to \$22,500, the job will become one of the richest political plums in Washington. The political factor is the reason why the name of Allen Dulles, who wrote the report urging the reorganization of the CIA, has been struck off all lists. Dulles' name was originally on most lists, but he is a prominent Republican and supporter of Thomas E. Dewey. President Truman will have none of him.

Another complicating factor is the new atmosphere of rivalry and tension between the State Department and the Pentagon. The State De-

partment particularly is determined that whoever takes over CIA shall not be a Pentagon man or, more specifically, a Louis Johnson man. State inspects every Pentagon suggestion with beady-eyed suspicion.

Despite his Pentagon background, the name of the able, independent-minded Secretary of War, Gordon Gray, figures prominently. Aside from being well-qualified in other ways, Gray is a good North Carolina Democrat. In fact, before he was appointed Secretary of War (which was an unexpected surprise to him) it had been pretty well decided that Gray would become Hillenkoeter's deputy, and then take over when he had learned the ropes. Gray may still step directly from the War Department into the top CIA job.

It is also possible that either Gen. Bedell Smith or Gen. Al Gruenther will be asked to resign from the Army to become permanent CIA chief. Both are very able men and, despite their Army careers, there is little likelihood that either would truckle to the Pentagon. Another possibility, believed acceptable to both the State and Defense Departments, is William Jackson, a New York lawyer who did an outstanding job with the wartime Office of Strategic Services.

Did Same Job in Italy

YET the man whose name has led most lists, and certainly all the lists submitted by the State Department, is former Undersecretary of State Robert A. Lovett. By general agreement, Lovett is the one man in the country most brilliantly qualified to take on the crucial intelligence job. Aside from his great ability and his long experience in the Government, Lovett has already demonstrated a special capacity in the very special field in which the CIA operates; it was he who directed the effective American clandestine effort in Italy before the crucial elections there.

Much will depend on the President. Truman takes a great personal interest in intelligence matters. He likes to be briefed daily on important points, and he frequently gets up at dawn to read the previous day's intelligence reports. He has been impressed by the value of good intelligence, and perhaps for this reason he has indicated that he would like to have Lovett as his CIA chief.

More will depend on Lovett. He is capable of expressing himself vehemently, and he has let it be known that whole herds of wild elephants would not drag him back to the Washington bear pit. This is the main reason why he has not been formally offered the job. He is only likely to accept if Truman personally persuades him that he owes it to the country.

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WASHINGTON POST
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Truman Signs 'Hush - Hush' U. S. Spy Bill

Washington, June 20 (AP) — President Truman today signed a bill setting up statutory operating authority for the super-secret Central Intelligence Agency. The measure writes into law procedures the agency has been using, including hiring and budget practices not heretofore allowed by law.

The bill allows the agency to bring into this country every year up to 100 aliens who have helped U. S. intelligence operatives abroad. The aliens will be cleared for entry by the CIA's director, the Attorney General, and the Director of Immigration, and will be eligible for U. S. citizenship.

It authorizes the CIA to assign its agents to schools, industrial organizations, labor unions, and other groups in this country for training.

The House and Senate Armed Services Committee held secret hearings on the bill, and told members of Congress that full details could not be discussed in debate.

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SEP 2 1949

Senate Passes Bill to Set Up Spy Network

The Senate yesterday passed a bill giving the Central Intelligence Agency broad powers to operate a world-wide "cloak-and-dagger" network of secret agents.

The bill now goes to the House for concurrence in Senate amendments which exempt alien operatives of the agency from immigration laws and assure that CIA's "undercover legion" will not operate within the United States. (Earlier story on Page 4.)

Chairman Tydings of Maryland said during debate that many men have "paid the supreme sacrifice to gather intelligence information vital to our country."

"Dangerous Work"

"This is dangerous work, gentlemen," Tydings said. "Many men are likely to pay with their very lives for their adventurous spirit gathering intelligence information for our country."

Tydings said it was necessary that the nation's military defenders be advised as to what is taking place in the world.

The Pearl Harbor disaster might have been avoided if the country had the intelligence system then that it has now, he said.

"We were mere babes in the woods in this respect before World War II," Tydings said.

To Operate Abroad

Tydings emphasized that the espionage agency will operate only outside the borders of the United States and not within this country.

"We must know the size of other armies, air forces, their inventions and purposes of their people," Tydings said. "We cannot always rely on what our government authorities tell us."

Sen. Langer (R) of North Dakota complained that for the first time in history Congress was informed that it could not be told about details of legislation.

He sought to strike out the provision permitting the intelligence director and attorney general to admit up to 100 aliens a year for intelligence gathering purposes.

Mr. Tolson ✓
Mr. Clegg ✓
Mr. Glavin ✓
Mr. Ladd ✓
Mr. Nichols ✓
Mr. Rosen ✓
Mr. Tracy ✓
Mr. Egan ✓
Mr. Gurnea ✓
Mr. Harbo ✓
Mr. Mohr ✓
Mr. Pennington ✓
Mr. Quinn Tamm ✓
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Miss Gandy ✓
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68 SEP 15 1949

MAY 8 8 1949

WASHINGTON TIMES-HERALD

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Spy Business (for U. S.) Is Really Getting Respectable

By EARL RICHERT Scripps-Howard Staff Writer

Congress is fixing things up so that about all a spy for the United States has to worry about is keeping his neck.

With only four dissenting votes, the House has passed a bill which would, among other things,

let our spies use Government-owned autos to transport their children to school at isolated stations outside the United States when adequate public transportation was not available.

And our spies (employees of the Central Intelligence Agency) can wave haughtily at General Accounting Office investigators as they drive Government-owned cars between home and work. The bill says they may do this when their work makes it necessary.

Their health is to be well taken care of, too. If one of them becomes sick abroad, the Government is to pay for the cost of treatment at a "suitable" hospital or clinic as well as travel expenses to the hospital.

He can take his family aboard with him with all expenses paid by the Government, including transportation of furniture and a privately owned auto. When he comes home on leave, he can bring his family with him with Uncle Sam footing the bill.

If things become too dangerous at his post, the Government will pay for moving his family and household effects, including a car, to a place of safety.

If he or any member of his family dies abroad, the Government will pay for return of the body.

LITTLE EXPLANATION

The bill was sent to the House floor with a minimum of explanation and a no-amendment rule. Rep. Lansdale Sasscer (D., Md.), the author, described it as a house-keeping measure designed to build up the Central Intelligence Agency.

The House Armed Services Committee said the failure to explain the bill fully was due to the fact that much of the information was of a confidential nature. The committee said it was satisfied that all the bill's provisions were fully justified.

MARCANTONIO OPPOSES IT

Rep. Vito Marcantonio (A.L.P., N. Y.) opposed the bill on the grounds it would pave the way for the Central Intelligence Agency to destroy civil liberties and bore into such agencies as labor unions.

The agency was created two years ago under the Armed Forces Unification Act.

The bill would exempt the agency from all laws requiring publication of data on its personnel, including the total number of employees.

Rear Admiral R. H. Hillenkoetter, the agency's director, would be given wide latitude to make purchases and contracts for supplies and special services without advertising for bids. He also could spend agency funds without regard to provisions of law.

He would be given special authority to send agents to schools and



ADMIRAL HILLENKOETTER
Wide latitude.

pay for the tuition and expenses.

ADMISSION TO U. S. BONUS

An important section of the bill authorizes the Intelligence Agency director and the Attorney General to admit up to 100 aliens a year for permanent residence in the United States in recognition of services rendered this country. Informers families would be included and existing immigration quotas and rules on admissibility would not apply.

Other provisions would permit Intelligence Agency couriers and guards to carry firearms while transporting documents and permit the agency to spend any amount desired on permanent improvements on leased property abroad. This would include funds for special installations in leased premises.

Authority also is given for the agency to hire three top-notch scientists at any salary between \$10,000 and \$15,000. No explanation was given of what they would do.

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Miss Gandy _____

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98 MAR 22 1949

7★ TIMES-HERALD
Washington, D.C.
SATURDAY, MARCH 5, 1949

Shafer Razzes State on Halt Of FBI Spying

By WALTER TROHAN

The British are capturing control of intelligence in South America, Rep. Shafer (R) of Michigan warned his colleagues in Congress yesterday.

Shafer said that since the withdrawal of the FBI's secret intelligence by the Administration to promote the central intelligence agency, Britain is moving into South America.

He called attention to the sending of 11 former British police officials to Colombia, noting that Scotland Yard, British equivalent of the FBI, announced that Colombia had decided to build up a new police force to cope with internal disturbances. Shafer said these men will act as commercial and intelligence agents for Britain. Other nations unable to get the FBI will undoubtedly ask Scotland Yard for men, he added.

Hits State Dept. Action

"The State department refused to let the FBI continue its South American service in the face of protests from the foreign offices of every Latin American republic," Shafer said. "The State department suppressed these protests against disbanding the highly efficient and relatively inexpensive FBI secret operation. The FBI was withdrawn secretly at the insistence of the State department in the spring of 1947.

"The unit was killed in the interests of building a bureaucratic empire of more than 1,500 allegedly secret agents reaching into all corners of the world. To promote the CIA the State department campaigned to wreck Army and Navy intelligence and the FBI intelligence organization."

The first sign of weakness of the world spy plan was the Red revolt at Bogota last year on the eve of the Bogota conference, Shafer said. A congressional committee which investigated this South American Pearl Harbor found Reds had bored into CIA, and named 17 Communists and Communist sympathizers.

Says Reds Reinstated

"The CIA suspended some persons on suspicions but reinstated a dozen of those fired," Shafer said. "In an intelligence agency every man should be above suspicion or he is of no value whatsoever."

The congressional committee got its data on Communist infiltration of CIA from an intelligence officer who resigned from the organization. CIA agents were hastily recruited and given civil service status. Agents get an average of \$8,500 a year. The organization spends more than 10 million dollars a year on salaries alone, it is estimated.

The entire FBI operation in South America, one in which FBI agents worked intimately with police and military intelligence of the various countries, cost only a fraction of what CIA pays for salaries, Shafer learned.

Claim Warnings Ignored

The CIA has stoutly denied that it failed to detect any indications of the Bogota uprising of April 9, 1948. The organization insisted it had been warning Washington of a Communist-inspired outbreak for three months.

However, President Truman and then State Secretary Marshall said they were surprised by the Bogota uprising.

The CIA was slow in reporting other disturbances in South America.

The FBI's Latin American organization was disbanded while the central intelligence unit was under the direction of Gen. Vandenberg, now commander of the Air Force.

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57 MAR 17 1949

This clipping is from
the morning edition of
The Washington Times Herald
3-6-49
Date

53 MAR 25 1949

For More Effective Spying

The Central Intelligence Agency bill reported to the House by the Armed Services Committee presents Congress with the difficult problem of reconciling open legislative processes with the need for utmost secrecy in regard to the bill's subject matter. Having recognized the need for America's entry in the spy business, Congress has no alternative but to implement the plan with as little publicity as possible.

That does not mean that the appropriate committees of Congress, in executive session, should not be given a complete account of the details regarding the need for such legislation as is now proposed. The CIA already has supplied the Armed Services Committee with an explanation of the bill's scope and purposes. Most of these details properly have been withheld by the committee, but Chairman Vinson has disclosed that, in general, the measure would, for the first time in our history, legalize international intelligence on a large scale. The CIA at present has only general statutory authority. It was set up by executive order under the National Security Act of 1947 for the purpose of co-ordinating existing intelligence activities. The act specified that the agency should have no police powers. Apparently the agency now is asking for broad authority to operate in foreign countries and for means of guaranteeing protection to its sources of information. A limited number of informants would be given sanctuary by the United States if the circumstances warranted.

All of this spy business is new to this country. In the past we have regarded genuine espionage as a shady practice that was beneath our dignity and contrary to our policy of open-handed dealing with foreign nations. We depended, instead, on what intelligence our diplomats and our military and naval attaches were able to acquire in routine ways. But we learned to our sorrow in World War II that lack of an adequate intelligence system can leave us perilously handicapped against a designing aggressor. We had to depend largely on the efficient British intelligence

service for vital information about our enemies.

The lesson is too fresh in our minds to permit us to ignore it in an era of feverish competition among nations to produce new and more deadly weapons. It is unfortunate that we must become a party to the international eavesdropping game, but the state of the world today has left us no safe way out. Congress has indicated in the past that it accepts this new situation. That being the case, it should see to it that our intelligence setup is given the money and authority needed to do an effective job.

Mr. Tolson ✓
Mr. Clegg ✓
Mr. Glavin ✓
Mr. Ladd ✓
Mr. Nichols ✓
Mr. Rosen ✓
Mr. Tracy ✓
Mr. Egan ✓
Mr. Gurnea ✓
Mr. Harbo ✓
Mr. Mohr ✓
Mr. Pennington ✓
Mr. Quinn Tamm ✓
Mr. Nease ✓
Miss Gandy ✓

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WASHINGTON STAR
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Date

House Body Speeds Bill To Set Up Spy Network

WASHINGTON, Feb. 23.—A hush-hush bill giving the Central Intelligence Agency full legal authority to operate a foreign spy network was approved today by the House Armed Services Committee. Chairman Carl Vinson (D-Ga), said the need for continued secrecy is so great he will ask the House to pass the measure without discussion when it reaches the floor.

The committee acted unanimously behind closed doors after a public session at which it also approved two other important military measures. These would:

- Permit the Air Force to start work, with Canada, on a radar warning screen to be built around most of North America. An initial U. S. outlay of \$85,500,000 would be authorized.

- Authorize the military establishment to build a 3,000-mile-long test range for guided missiles. No route for the \$200,000,000 range has been chosen, but the bill says it can be within or outside this country.

NO ACCOUNTING

The spy bill legalizes what the intelligence agency is already doing without specific Congressional authority: spending public funds on secret operations without accounting for them.

It also gives the agency new

powers to protect informers who can provide intelligence data.

With approval of the Attorney General, the agency could admit up to 100 such alien informers to this country every year for permanent residence and possible citizenship.

Other clauses would free the agency from the legal necessity imposed on all other government departments of telling the Comptroller General just how, when, where and on what it has spent public funds.

While the agency has not been making such reports, Comptroller General Lindsay G. Warren reportedly has served notice that he doesn't want to continue this extra-legal "exemption" without Congressional authority.

The agency also would be authorized to hire employees without telling the Civil Service Commission or anyone else who they are, or even how many are on the payroll.

BARS QUESTIONS

Vinson said that when the bill

comes up for floor action, he will refuse to answer questions about the reasons for some of the deliberately vague clauses.

"We'll just have to tell the House they will have to trust us," he said. "If you're going to have an intelligence agency, you can't advertise it from the roof tops."

This is a clipping from
Page 9 of the
Daily Worker

Date 2-24-49
Clipped at the Seat of
Government.

59 MAR 17 1949

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File

Mr. Tolson ☒
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Mr. Glavin ☒
Mr. Ladd ☒
Mr. Nichols ☒
Mr. Rosen ☒
Mr. Tracy ☒
Mr. Egan ☒
Mr. Gurnea ☒
Mr. Harbo ☒
Mr. Mohr ☒
Mr. Pennington ☒
Mr. Quinn Tamm ☒
Mr. Nease ☒
Miss Gandy ☒

House Unit Would Admit Aliens Who Can Aid U. S. Intelligence

By John G. Norris
Post Reporter

Legislation permitting aliens who have intelligence information of value to the United States to be admitted without regard to immigration restrictions was approved by a House Armed Services subcommittee yesterday.

Chairman Carl Durham (D., N. C.) said his subcommittee had incorporated such a proviso in a bill giving the Central Intelligence Agency permanent legislative basis.

Officials said the admission of aliens was asked by the Government largely to permit "defects" from Communism to be brought to the United States when desirable. Most other countries have similar provisions to allow aliens with important intelligence data to be accepted.

Both the Central Intelligence Director and the Attorney General would have to approve the en-

france of an alien under the bill and find it would be "in the interest of national security or essential to the furtherance of the national intelligence mission."

The alien and his immediate family would be accepted for permanent residence and eligibility for citizenship by the bill. A maximum of one hundred persons could be admitted annually.

Representative Durham said the subcommittee was informed that Government intelligence reporting procedure has been altered to prevent a repetition of the Bogota incident. After the revolution broke out last year during the Inter-American Conference in Colombia the CIA informed Congress it had sent warnings of trouble which were not forwarded to higher authority. Under the change, Durham said, important CIA reports would go direct to the President.

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MAR 29 1949

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5-201

G-2 Bomber Almost Got U. S. in War

By JIM G. LUCAS Scripps-Howard Staff Writer

Faulty intelligence reports almost had Uncle Sam in a war early this spring, but the mistake was caught in time, the Hoover Commission's Committee on National Security Organization revealed today.

The committee says it has evidence that a mistaken intelligence report, prepared by one of the services, "in the spring of 1948 stimulated recommendations—which, if followed—might well have had serious consequences" but that the Central Intelligence Agency later "correctly evaluated available information in good time."

The committee said it "found disturbing inadequacies in our intelligence system."

In general, it found the defense establishments created by unification "soundly constructive but not yet working well."

The report, which goes to the full Hoover Commission for approval, may be regarded as a victory for Defense Secretary James Forrestal. It sustained his idea of "progress by evolution rather than revolution." It approved those changes he already has accepted and it rejected more drastic remedies.

The committee, headed by Ferdinand Eberstadt, reserved its most scathing criticism for military intelligence and the defense budget.

WEAK IN OPERATION

The Central Intelligence Agency, it said, was sound in principle but weak in operation.

"The relationship of this agency to other intelligence agencies—namely Army G-2, the FBI, the Atomic Energy Commission and the State Department—have been, and still are, unsatisfactory," it said.

"But even more important, the committee is convinced that too many disparate intelligence estimates have been made by departmental intelligence services; that these estimates often have been biased, that the capabilities of potential enemies have frequently been (mis)interpreted, and that a more comprehensive collection system, better co-ordination and more mature and experienced evaluation are imperative."

As a result, it said, national policy does not now come from the top down. Instead, "the military have picked up the ball of national policy and are starting down the field with it." Congress, it said, "is practically helpless."

NOT PROFICIENT

"The Central Intelligence Agency has not yet achieved the desired degree of proficiency and dependability in its estimates," the committee said. "Without it, the National Security Council cannot succeed in assessing the objectives, commitments and risks of the United States."

As for the budget, the committee "failed to find in the military establishment a sense of cost consciousness.... The military services are far too prodigal with Government funds."

As an example, it said we built 85,000 tanks but only 25,000 were on hand at the war's end. The Army could account for only 18,000. The committee found it had asked for money in next year's budget to repair 103 more tanks than it owned.

In another case, a misplaced figure added \$50,000,000 to the defense budget.

The committee said the armed forces first asked for \$30,000,000,000 next year and "it has required the most earnest effort of the Defense Secretary, supported by a specific directive from the President, to reduce these totals to a more realistic level." The Research and Development Board, it said, feels \$600,000,000 is all it can spend efficiently next year, but the three services are asking \$1,100,000,000, "altho' there is little evidence this request is closely



FERDINAND EBERSTADT

related to strategic needs." The report continued:

\$100 EACH

"There is widespread doubt whether these huge sums are being spent in the most efficient way... in the opinion of the committee,

these doubts are justified.... In the year preceding World War I, the military establishment cost \$2.25 per capita.... For the current fiscal year, the per capita cost is \$100.

The committee's chief recommendation was that the Secretary of Defense be made a virtual dictator with power second only to the President. If the recommendation is adopted, the Defense Secretary would:

- Be given authority to establish policies and programs instead of exercising mere "general" supervision over the military.
- Direct and control the armed services' requests to Congress for money.

- Attain genuine mastery over the defense establishment thru repeal of the right now held by the Army, Navy and Air Force secretaries to appeal over his head to the President or Budget Director.
- Be relieved of "the burden of routine administration" thru creation of the post of Undersecretary of Defense. Assistant secretary jobs in the three services would be abolished.

- Be given a "principal military assistant," an admiral or general to handle strictly military matters under his direction.

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WASHINGTON DAILY NEWS

FINAL EDITION

DATE December 16, 1948

NOT RECORDED
73 DEC 27 1948

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U. S. Intelligence
Chief in Madrid

MADRID, Oct. 12 (AP)—Rear Adm. Roscoe H. Hillenkoetter of the U. S. Navy, head of the Central Intelligence Agency, arrived in Madrid from Paris today. The U. S. embassy's naval attache said the trip was made for a routine inspection.

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New York Star

10-13-48

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File 58112

Intelligence Weakness a Peril

Expert Says Russians and Others Outspy U.S. by Far

By JIM G. LUCAS,

Scripps-Howard Staff Writer.

WASHINGTON, Aug. 27.—The Central Intelligence Agency risks "total war and total destruction"

by failing to keep our military planners up to date on the industrial war potential of other nations; a semi-official Navy publication charges.

The indictment was made in an article

written for Jim G. Lucas, Naval Institute Proceedings by Lt. Robert A. Rowe, an instructor in the Counter-Intelligence Corps. It followed a warning to American businessmen by Army Intelligence last week that Russian agents are pumping them for seemingly unimportant—but vitally strategic—facts about their operations.

Blank pages on the economic side of our intelligence worksheets contrast with detailed information collected about us by other countries, Lt. Rowe said. We have few industrial secrets. Foreigners have "access to all the records and facts concerning our industrial production." Moreover, the cost of getting it is small. As a result, Lt. Rowe said even the smallest nations are able to collect statistics on our economic war potential.



We don't need cloak-and-dagger men to get what we want, he says. Most nations are willing to supply it. In fact, he says we already have "enormous amounts of data that need only interpreting and evaluating." In other words, we probably have the facts if we knew what to make of them.

Most nations are ready to boast about their industrial accomplishments, Lt. Rowe said. A few—notably Russia—don't always lay it on the line. But he says that shouldn't stop us. He suggests "a planned program be initiated" to get such concealed information.

The National Security Act of 1947 did not direct the Central Intelligence Agency, which it created, to check on foreign war potentials. As a result, Lt. Rowe said, the agency concentrates on military and geographic intelligence, without trying to estimate the industrial power behind it.

The agency declined to comment on Lt. Rowe's statements but other military sources said the law requires the agency to furnish intelligence on "all matters affecting national security."

"Unfortunately, we have had little experience in evaluating foreign war potential," he said. "Some time we may be faced with a test of our force in which it is essential that the widest possible discussion of strategic problems by our nation's leaders be guided by strategic intelligence on the economic war potential of all

world powers which might endanger the nation's security. When a situation has reached that stage, we must be extremely careful of the position our leaders take; one such incident may be the spark that bursts into flames of war—total war and total destruction."

Lt. Rowe said strategic intelligence must collect, analyze, evaluate and disseminate information on "political motives and economic war potential of all nations in order to anticipate hostile moves, prevent surprise attacks and initiate necessary counter measures."

"We must know the capacity of nations to wage total war before they embark. We must be prepared for an emergency including the knowledge that it exists. During the present period of worldwide insecurity and fear, our statesmen must be guided by facts."

He urged the law be changed to require the Central Intelligence Agency to "collect, analyze and evaluate the industrial programs, location and number of factories, the amount of adequacy of raw materials, transportation and labor, priority methods and the industrial expansion programs of all nations of the world."

"The greatest asset we can have is assurance that the Central Intelligence Agency is providing our leaders and planners with strategic intelligence on the economic war potential of all foreign governments."

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File 5

World Telegram

AUG 27 1948

Intelligence—IV

Competent Personnel Held Key To Success—Reforms Suggested

By HANSON W. BALDWIN

The current survey of the nation's intelligence agencies, which have been beset by factionalism and friction, can lead only to one major conclusion: that adequate personnel is the key to adequate intelligence.

The study now being conducted under the chairmanship of Allen W. Dulles must undoubtedly recognize this fact, even though it may make suggestions for improvements in organization and perhaps a redefinition of functional activities by the various agencies.

Personnel weaknesses undoubtedly are the clue to the history of frustration and disappointment, of friction and fiasco which have been, too largely, the story of our intelligence services since the war.

Present personnel, including many of those in the office of research and estimates of the Central Intelligence Agency, suffer from inexperience and inadequacy of background. Some of them do not possess the "global" objective mind needed to evaluate intelligence, coldly, logically and definitively. Others, in offices of operations or special operations in the CIA are chair warmers. Some—in CIA and service agencies—are "empire builders," anxious for prestige and rank.

Civilian Executive Urged

The first requirement is to induce into government service civilians of high capacity and willing anonymity. The CIA should be headed by a civilian, not by a military or naval man as its first three directors have been. Its senior executives and office chiefs should be largely civilian.

The concept that CIA could be staffed in large measure by service personnel and that the services would then owe greater loyalty and support to this agency because of their personnel stake in it has failed. The officers sent to CIA are not always the best and most of them have a psychological aversion to the duty; they consider themselves, in a professional sense, "lost."

Civilians, therefore, must be induced into CIA and into other government intelligence agencies, but they probably cannot be persuaded unless some of the restrictions of Civil Service are relaxed and more security and sense of accomplishment is provided. A corps of junior civilian intelligence experts might be established gradually by enlisting picked men from the colleges or graduate schools to serve four or five years in government intelligence work.

The best 10 per cent might, if they wished, make intelligence a career; the rest would return to civilian life—available, if necessary, for a later tour of duty or of service in an emergency. The services themselves must emphasize intelligence even more greatly.

must provide a greater continuity of career and chance for promotion to officers who make intelligence their specialty.

Some Reforms Suggested

A solution of the personnel problem is of prime importance, but these additional reforms ought to be considered carefully:

1—A thorough house-cleaning of the Central Intelligence Agency and other intelligence agencies to rid the services of drones, incompetents and "empire-builders."

2—Reorganization of the CIA on a more efficient basis. The office of collection and dissemination probably ought to be eliminated or greatly reduced and the office of administration and management ought to be cut down; these two offices have become too much the tail that wags the dog. Friction between the vital offices of operations and special operations must be eliminated; these two offices probably ought to be combined under one head and reduced in size. Neither one needs an evaluation section as at present; these sections somewhat duplicate the work of the office of research and estimates. The latter office is a key to sound intelligence; it must be strengthened. One means of doing so and of eliminating duplication with the State Department is to transfer the State Department's intelligence analysts to CIA. The residue of the Office of Strategic Services was split up after the war between the Central Intelligence Agency (then the Central Intelligence Group) and the State Department. This, it is now clear, was a major mistake; the two ought to be rejoined.

Functions Need Redefining

3—The functional purposes of each of the government's intelligence agencies ought to be redefined clearly and unmistakably, but the CIA must be clearly established as the top-echelon agency with powers to coordinate the activities of all the others. Organizationally, the present structure seems sound; certainly it is better than any prior system. The CIA probably should continue to collect information by both overt and covert means as well as to analyze it. If, however, official approval should be given to the collection of secret information by spy rings operated by other agencies the "master mind" control of all such rings must be in the hands of the CIA.

4—Secret intelligence operations must be conducted on a broader and far more secure base than heretofore. The State Department's embassies and missions have offered "cover" up until now for nearly all overseas CIA activities, largely because this was the easiest way. But other types of "cover" can and must be provided.

Mr. Tolson	
Mr. Clegg	
Mr. Glavin	
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Taken from
"New York Times"
July 24, 1948

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Intelligence—II

Older Agencies Resent a Successor And Try to Restrict Scope of Action

By HANSON W. BALDWIN

Friction between Government Intelligence agencies is in a major degree responsible for the current study, headed by Allen W. Dulles, of the Government's Intelligence organizations.

Friction is not new to Washington, but the newly established Central Intelligence Agency, successor to the Central Intelligence Group and to the wartime Office of Strategic Services, has had more than its share. A new agency always has trouble in establishing itself in politically-jealous and power-conscious Washington, and this has been especially true in the case of CIA, which "inherited" some of the Office of Strategic Services' wartime feuds, and which found itself a "nouveau riche" in the field of intelligence amongst old established agencies.

Some gross mistakes of its own and a much too rapid expansion by CIA which led to "empire-building" and retention of some incompetent personnel fed the flames of controversy, but major friction has resulted because of the attempts of the older agencies to retain all their powers and prerogatives and to restrict and confine and reduce CIA's scope of action.

Catalogue of Friction

A brief catalogue of this friction reveals its seriousness:

1. CIA and G-2 were locked in a bitter feud until some months ago; today relations are more correct but not cordial. The issue, in part, was whether or not CIA should take over collection of secret intelligence, as well as its evaluation. CIA won out and theoretically, at least, controls all espionage agents operating for this country overseas, but there is still reason to believe that G-2 continues to operate its own agents, although it denies this.

2. Prime antagonists today are the State Department and CIA. At least personalities in both agencies. CIA representatives overseas have been in virtually all cases attached to American Embassies and have usually used State Department communications facilities. Differences of opinion as to the exact power of the Ambassador over the CIA representative and other issues finally crystallized into open "name-calling" after the unexpected rebellion flared at the Bogota conference in April.

The full intelligence story of the Bogota conference never has been told, and probably never can be. Rear Admiral Roscoe H. Hillenkoetter, director of the Central Intelligence Agency, produced—at the quickly dropped Congressional investigation—messages which were hailed in some quarters as proof of our foreknowledge of the revolt.

A careful reading of these messages, however, indicated that they were virtually unevaluated and undigested intelligence; most of them read like clippings from The Daily Worker and were so generalized that they could scarcely be interpreted as accurate forecasts of the revolt.

It was learned, however, that the messages produced for Congress and published were not, by any means, the only indications gleaned of the Colombian situation. Other messages—at least one of them forecasting the participation of some of the Bogota police and the Communist use of mobile sound trucks to incite revolt—were received; and the factual advance information con-

tained in some of them was accurate and of considerable importance. The full scope of the uprising, and particularly the extensive participation of the Bogota police in it, were not anticipated, however. The incident clearly revealed some weaknesses in collection of intelligence, greater weaknesses in evaluation and the creaky nature of the mechanism for exchange and transmission of information between the State Department and the CIA overseas and in this country.

Improvements in the latter weakness have been made, due in large measure to the Dulles inquiry, but the State Department is still hostile, not to the concept of the CIA, but to the present organization staffed as it is, and feels that many of its reports and evaluations merely duplicate its own.

3. Friction between the CIA and the Federal Bureau of Investigation really began fourteen months ago when, under a Presidential directive, the CIA took over the intelligence functions that the FBI had expressed in Latin America during the war. The turnover of responsibility in various offices that had been established in Latin America followed no common pattern but generally was a good example of lack of teamwork.

In some Latin American offices FBI agents offered full cooperation to their CIA successors and delayed their departure to permit a period of overlap and a gradual and orderly turnover. But in a number of instances the CIA agents arrived in the morning to find the FBI files burned and the FBI agents booked for departure that afternoon. The excuse given was that some of the CIA agents assigned to Latin America were not sufficiently "security-conscious."

Shift on Loyalty Checks

More recently, the FBI, which conducts loyalty and security checks for personnel of all Government departments, stopped performing that function, in so far as the CIA was concerned. The CIA was forced, because of this FBI action, to set up its own security check department—now a part of the office of inspection and security—to check records of prospective employees. The FBI recently rescinded its action and is again undertaking CIA checks, but the expense to the CIA and to the Government in personnel and money was large.

4. Considerable difficulties between the Atomic Energy Commission and the CIA were evident until recently. The CIA, criticized by older intelligence agencies because of its alleged lack of security, refused to divulge to the AEC on the grounds of security the sources of its atomic energy information. The AEC insisted that it required these sources for proper evaluation of scientific information. This difficulty seems to have been at least temporarily straightened out by the appointment of a liaison officer within the CIA—a young scientist, whose word as to the reliability of scientific reports is satisfactory to the Atomic Energy Commission. Neither the latter commission, nor for that matter the CIA itself, are satisfied, however, with our scientific intelligence, and we know very little about Russian atomic energy progress.

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Patton Aide Sees War Danger In 'Gross CIA Incompetence'

Col. Robert S. Allen, former intelligence officer for Patton's Third Army, yesterday put the finger on the armed forces' central intelligence agency.

"Its colossal incompetence could blunder us into war and result in our defeat," he told the National Capital Optimists club at a luncheon at Hotel Continental.

"We're on the verge," he said, "of the most fearful war of all time, face to face with the enemy in battle lines, but we don't know what's likely to happen next."

"Dead-head Generals"

The United States had no inkling of Bogota or Tito's break with Russia, he added, assuring his listeners that "our side is almost as incompetent and blundering as the Russians."

CIA is run by "dead-head, hide-bound general officers who got the job only because of the number of their stars," according to

Allen, who is Washington reporter for the North American Newspaper Alliance.

Twice in the last year, he recalled, the House of Representatives passed an act to put competent civilians in CIA. But it was defeated in the Senate by a military lobby, Allen said.

"Keep Finger on Trigger"

Allen described the Russian "masters" as "ruthless, vicious men who came from the depths possessed of weird, fantastic manias that demand world supremacy."

Allen recommended that the United States "use Tito, but keep its finger on the trigger." Stalin can't "knock Tito off" because of his strategic position, he said.

"It's good to be at a meeting of optimists," Allen concluded, "because I haven't been able to see much to be optimistic about. The situation is despairingly grim."

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WASHINGTON TIMES HERALD

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The Federal Spotlight

Top Defense Officials Forecast Shakeup in Intelligence Units

By Joseph Young.

A shakeup in the Government's various intelligence agencies is due within the next few months.

Top defense officials believe our military intelligence setup leaves much to be desired.

Among the agencies involved are the Central Intelligence Agency and the various intelligence units in the State and Army, Navy, and Air Force Departments.

A considerable shift in personnel, as well as organization, is predicted by top defense officials. One of the complaints being made is that some of the personnel engaged in top intelligence work do not have the necessary qualifications and should not be entrusted with the very responsible jobs they now hold.



Joseph Young.

Another criticism of the intelligence setup is that it is top-heavy in structure, with too much overlapping and duplication in single intelligence units, as well as in the whole Government-wide intelligence setup.

An investigation of the whole Government intelligence structure is being undertaken by a prominent group of private citizens, headed by Allen W. Dulles, one of the top officials of the Office of Strategic Services during the war. The group started its investigation at the request of the White House and Defense Secretary Forrestal.

PAY—The AFL Government Employees' Council, which represents 22 different unions with more than 500,000 Federal workers, has decided to press for another Federal employees' pay raise during the special session of Congress.

It's planned to ask for another \$300 or \$400 pay increase for Federal workers on top of the \$330 voted them last month by Congress.

Union officials declare Federal workers are still behind the eight-ball, so far as living costs are concerned, and need another \$300 to \$400 to be as well off in purchasing power as they were back in 1939 or 1940.

The chances of Federal employees getting another pay boost during the special session are practically nil, and the council knows it. But council officials, at least, want to bring the matter to Congress' attention so a full-scale campaign for higher wages can get rolling at the time the 81st Congress convenes in January.

In the words of William C. Doherty, president of the AFL National Association of Letter Carriers and one of the top men in the Government Employees' Council.

"Last month's pay raise wasn't enough to enable Government employees—both postal and nonpostal—to maintain a decent standard of living. We consider the pay raise inadequate and will fight to secure enough of an increase to keep pace with the rise in living costs since 1939."

Incidentally, the council is determined to win at least a \$330 pay raise for District government employees during the special session. They were left out of last month's Government pay raise law.

DEFENSE—The Army, Navy, and

Air Force Departments are going ahead with their plans to hire all the additional personnel they need, despite the request of the Budget Bureau for them to limit hiring as much as possible in order to absorb some of the pay bill's cost.

Defense officials say the international situation makes it imperative that the military agencies achieve the full strength in both civilian and military personnel as authorized recently by Congressional appropriations.

While they intend to make savings wherever possible in operating procedures, they do not intend to skimp on the personnel needed to carry out the national defense program. And these officials are confident the White House will back them in their stand.

It's expected that at least 7,000 jobs in military agencies will open up in the Washington area during the coming months. Nation-wide, the total will be over 150,000.

UPWA—Roy Eldean, the newly elected vice president and chief of the Federal division of the CIO United Public Workers of America, arrived this week to take charge of UPWA's Washington office.

Mr. Eldean is a Post Office Department career employee in the Chicago post office. He has taken a leave of absence to assume his new duties here.

Incidentally, UPWA played a considerable part in winning the right to a hearing for Government employees accused of disloyalty and separated from their jobs in a routine reduction-in-force program.

HEAT—Some hot weather relief is due Federal employees who work in nonair-conditioned Government buildings here.

The White House is expected to issue an order soon, advising Federal agencies, housed in nonair-cooled buildings that they can dismiss employees on unusually hot days. Of course, the order does not apply to those lucky people working in air-cooled buildings.

The directive sets up a uniform policy in which the humidity will be the most important factor. And it will be the degree of humidity in the building that counts—not necessarily the humidity outside.

CAPITAL ROUNDUP—Government officials are commenting these days about the good work that the Federal Personnel Council is doing in formulating Government personnel policies. Under the leadership of Henry F. Hubbard and Frederick M. Davenport, the council plays an important behind-the-scenes role in determining what the Government's various personnel policies shall be. The council is part of the Civil Service Commission and receives relatively little publicity. The Commerce Department's Welfare and Recreation Council is sponsoring an inter-bureau Potomac River boat ride on Friday. Tickets are \$1.

Additional news of Government affairs and personalities make up Joseph Young's broadcast version of the Federal Spotlight at 3:15 p.m. every Sunday on WMAL, The Star station.

Handwritten notes:
L. Laughlin
H. H. H.
B. B. B.
W. W. W.
J. J. J.
M. M. M.
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Labor Spy Fund Bill Awaiting Truman Action

WASHINGTON, July 4 (FP).—Agents of the Central Intelligence Agency will be assigned to work in American unions, examination of one of the bills pushed through Congress in the last minute rush reveals.

The bill in question was S. 2688. It slipped through with almost no debate. Sen. Chan Gurney (RSD) described it as merely a grant to the CIA of the "authorities necessary for its proper administration."

However, Section 4a of the bill provides that: "Any officer or employee of the Agency may be assigned or detailed for special instruction, research, or training, at or with domestic or foreign public or private institutions; trade, labor agricultural, or scientific associations."

Sec. 4a escaped notice while Congress was in session. No questions about it were raised in debate. No indication was given as to the kind of "instruction" or "research" CIA agents would carry on in "domestic labor associations."

SUPERSPY AGENCY

The CIA was designed as a super-spy agency, to take over jobs handled during the war by the cloak and dagger specialists in the Office of Strategic Services and to coordinate other intelligence agencies in the government. Hearings on S. 2688 were carried on behind closed doors.

The bill also gave the CIA authority to spend its funds in complete secrecy, "without regard to the provisions of law and regulations relating to the expenditure of Government funds." Sole point of debate on the bill in the Senate occurred over this section:

Sen. Brien McMahon (D-Conn.) protested that the CIA would have too much authority if it could spend funds without accounting to anyone.

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JUL 21 1948

This is a clipping from
Page 6 of the
Daily Worker

Date 7-5-48
Clipped at the Seat of
Government.

71 JUL 26 1948

TIMES HERALD
Washington, D. C.
June 13, 1948

U. S. Organizing Huge Spy Corps; All's Hush-Hush

By WALTER TROHAN

A cloak and dagger organization, paralleling the wartime office of strategic services, is being secretly assembled by the Truman Administration on the recommendation of the Eastern Internationalist bloc.

The new unit is to be larger and more powerful than the New Deal spying and propaganda colossus, whose value and reputation was questioned in Congress and the military establishment.

Gets Grudging Approval

The super-OSS has already won the grudging approval of the military high command and the State department. It is receiving the blessing of the national security council, the new board of strategy created by the recent law which was designed to unify the Army, Navy and Air Force.

The council is headed by Rear Adm. Sidney W. Souers, Missouri insurance man, banker, cotton grower and friend of President Truman. Souers was made an admiral although he never went to sea and was named the first head of the central intelligence agency although he had never been an intelligence officer.

Recommendation for the creation of the super-OSS was made by a committee headed by Allen W. Dulles, former head of the OSS in Europe and as such trusted lieutenant of William J. Donovan, head of OSS, who has been seeking to perpetuate his super-spy organization in peacetime.

Dulles is the brother of John Foster Dulles, Republican New York lawyer and collaborator in the Roosevelt-Truman interventionist foreign policy along with Sen. Vandenberg (R) of Michigan, former Gov. Stassen and other internationally minded Republicans.

Dulles Expected Bid

It is reported that Allen Dulles had confidently expected to be invited to head the super-OSS which would place the United States in secret agent operations of a character never engaged in by this country in peacetime.

Assisting Allen Dulles on the committee, which launched revival of the OSS, are Mathias F. Correa, another former OSS official, and William H. Jackson, a known admirer of the British intelligence system.

American experts in hush-hush operations do not believe the collection of intelligence, a most secret undercover operation, and agent activity, the noisiest of operations, can be successfully carried

on under one roof. Many American experts have doubted the wisdom of putting all intelligence in one basket, where they may be more readily available to foreign penetration. These would continue intelligence gathering through distinct Army,

Navy and Air Force intelligence systems with an evaluating clearing house which would report not only to the State department and the White House, but back to the military intelligence units which supplied the original information on which the evaluations were based. This would provide a check, it is contended, on the evaluators.

Warlike Duties Outlined

The super-OSS would not only be entrusted with gathering and evaluating intelligence, but would carry on the various OSS activities in war, which included the fomenting of rebellions, sabotage, kidnappings, assassinations, and the gamut of spy fiction.

Much of the OSS now lives in the newly created central intelligence agency. Some of the current international troubles of the State department are traced by careerists to the swelling of its ranks by the addition of OSS-trained saboteurs, research men, analysts, social workers, and the rest. Many of these are foreign born. Some of the latter were never cleared for loyalty because OSS was too busy during the war to check such details.

CIA was originally designed to be an intelligence evaluating organization of 60 persons. It has become a sprawling bureaucracy of 3,000 persons, who gather as

well as evaluate intelligence. The addition of the super-OSS would enlarge it still further.

CIA has been the center of controversy since its creation. Most experts hold that it should confine itself to an appraisal of information gathered by intelligence agencies already in existence. Instead, CIA has been duplicating existing facilities throughout the world with largely untrained personnel.

Bogota Case Recalled

The failure of this government to be advised on the impending uprising during the Bogota conference is regarded as a case in point. President Truman said that he was as surprised as anyone by the revolt.

A congressional investigation of the intelligence fiasco at Bogota was opened by Rep. Brown (R) of Ohio, chairman of a House expenditures subcommittee. Adm. Hillenkoetter, CIA chief, placed the blame on the American ambassador at Bogota and State department officials, holding they had withheld information supplied by CIA.

The investigation was dropped before the State department could answer, although it was widely known that State department officials were prepared to prove that CIA reports gave no hint of the impending revolt.

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Tracy ☒
Carson ☒
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Leonard ☒
Pennington ☒
Quinn Tamm ☒
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Marshall May Face Bogota Revolt Quiz

Rep. Brown Says House Group Wants To Know If Secretary Was Warned

By the United Press

Secretary of State Marshall yesterday ran into a congressional demand that he tell whether he knew in advance of plans for the bloody Bogota revolt, and if so, what he did about it.

The demand was voiced by Representative Brown (R., Ohio) soon after Marshall flew in from the intra-American conference at Bogota. Brown said his House Executive Expenditures Subcommittee may summon Marshall at an early date to give the answers.

Want Statement at Least

"At least we'll want a statement from him," he added.

Brown's group is digging into the question whether American spying was weak in connection with the Colombian uprising that nearly broke up the inter-American conference. He has labeled the revolt a South American "Pearl Harbor."

Representative Devitt (R., Minn.), who claims the Bogota revolt was a "fiasco" of American intelligence, demanded a complete overhaul of the Nation's espionage set-up.

Intelligence Held Neglected

"Intelligence is the most neglected and incompetent aspect of our national defense," he said. "It is equal to, if not greater, in importance than atomic energy."

Devitt, a wartime lieutenant commander who served in Naval Intelligence, said he would push for action on his bill to set up a special Senate-House "watchdog" committee to overhaul and keep tabs on the work of the various intelligence services.

Devitt said one of the major provisions of his bill would be that "watchdog" meetings would be held in secret. He said he was "shocked"

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Mr. Tolson
Mr. E. A. Tamm
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Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn
Mr. Nease
Miss Gandy

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The State of the Nation—By Marquis W. Childs

Washington.

The inquiry into the Central Intelligence Agency has thus far marked out only one small area of fact. As early as last January, reports were prepared by the agency telling of internal conflict in Colombia and the presence of Communist operators.



Rear Adm. Hilgenkoetter, head of CIA, took the unusual step of making public secret intelligence reports in order to establish this point. The truth is that intelligence reports, no matter how detailed and complete, are of little value if they are not properly analyzed and interpreted by top authority, with top decisions based on the

ablest interpretation of what is taking shape.

The lack of real co-ordination is a matter for serious concern. Here are two examples:

A foreigners who desires to visit America must apply for a visa at an American consulate in the country in which he lives. A visa may be refused for security reasons.

But the names of doubtful applicants are never, or only rarely referred to the FBI, responsible for this country's internal security. Nor is there any evidence that immigration officials are consulted in advance about doubtful applicants.

Clearly this is inefficient. It also works on occasion to make America look ridiculous.

Thus Madame Irene Joliot-Curie, the French physicist whose husband, Dr. Frederic Joliot-Curie, is a member of the French

Communist Party, was given a visa to visit the U. S. When she landed, she was held by immigration officials for 24 hours before being admitted.

The result was sensational headlines. If this famous scientist's political beliefs should have barred her from the U. S., which I do not believe to be the case, then she should have been denied a visa at the outset.

Example No. 2. Nearly two years ago, before our relations with the Soviet Union had deteriorated to their present low point, the State Dept. approved a request from Moscow for a group of Soviet engineers to tour the U. S.

Their announced objective was to study the water systems of U. S. cities so they could return and help direct the construction of modern systems in Russia. One of the agencies concerned with national security protested

strongly against permitting the visit.

This protest was ruled Russian engineers inspected complicated engineering and returned home with drawings and blueprints of what they seen. With sabotage an accepted technique of world Communism, this episode requires no interpretation.

Here plainly was an issue to be resolved by top authority, capable of appraising all the factors.

Even more important, it means the creation, in Congress and the country, of a confidence that decisions are being taken in the overall interests of U. S. security. Naturally this will involve great risks in a time such as we are living through. Even in a police state, such as Russia is today, absolute security is a phantom that destroys while it deceives.

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N. Y. Post & Home News

DATE 4-21-48

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Today And Tomorrow

By Walter Lippmann

The Bogota Intelligence

AFTER testifying in a secret session of a congressional committee, Admiral Hillenkoetter, Director of the Central Intelligence Agency,



allowed himself to be interviewed in order to show that he had warned the State Department of the Bogota uprising. This would not have been edifying even if the admiral had proved his case.

Lippmann But in fact his own evidence disproves his case.

The key intelligence dispatch, dated March 23, which he says was withheld from the State Department by a representative of the Department in Bogota said: "Have confirmed information that Communist-inspired agitators will attempt to humiliate the Secretary of State and other members of the United States delegation to the Pan-American conference upon arrival in Bogota by manifestations and possible personal molestation." This was in no sense a warning of what happened in Bogota. No attempt was made to humiliate the Secretary of State; there were no manifestations against the Secretary of State upon his arrival in Bogota, and he has not been subjected to personal molestation.

The fact is that what Admiral Hillenkoetter predicted did not happen, and what did happen was not predicted by Admiral Hillenkoetter.

A "WARNING" that Secretary Marshall was going to be molested can hardly be construed as a warning that there was going to be an uprising against the Colombian government.

It was like the warning that there was going to be Japanese sabotage at Pearl Harbor: which led General Short to take measures against something which did not happen rather than against that which actually did happen.

It seems reasonably certain, not only from the uprising in Colombia but from the condition of the conference before it was interrupted, that the Administration, though it had warning of trouble, had not made a successful diagnosis of the trouble. It seems to have fixed its attention on the "Communist-inspired agitators," and not on the deep and violent popular unrest which was boiling up just under the surface.

THE CRUCIAL and difficult part of intelligence work is not in spying, and the collection of secret information. It is in the appraisal of the information, most of it not secret at all. The first installment of Mr. Churchill's memoirs in Life magazine is worth studying in this connection. There is a passage in which Mr. Churchill tells us how during the years 1931-34, when he was out of office, he managed nevertheless to appraise far more accurately than the government in office what was happening in Nazi Germany.

During those years he worked closely with three men. One was Prof. Frederick Lindemann, later Lord Cherwell, with Desmond Morton, who was in the British Intelligence, and with Ralph Wigram, "then the rising star of the Foreign Office and in the center of all its affairs." Mr. Churchill had access to the same information, scientific, intelligence, and diplomatic, as the government. He did not know any more than did the Prime Minister and the government. Yet he understood what he knew and drew the right conclusions, whereas they did not understand

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and drew the disastrously wrong conclusions.

THE MORAL of this story is that while an intelligence agency can serve a government, it is not a device for relieving statesmen of the task of judging correctly and wisely the course of events. It is a mistake to expect, and foolish of Admiral Hillebrand to talk as if we had a right to expect, the Central Intelligence Agency to appraise the situation in Colombia and South America. That was the business of the President and Admiral Leahy, of Secretary Marshall and Mr. Armour, after they had studied Admiral Hillebrand's reports and the State Department's reports. To suppose that an intelligence agency can make these final judgments is in effect to say that the intelligence agency could be not only the eyes and the ears, but also the brains of the Government.

There never was, and there never will be, such an intelligence agency.

THE AFTERMATH of the Bogota explosion shows that it could not have been easy to foresee it. For even by hindsight there is as yet no convincing and consistent story of what happened. That may be due in large measure to the censorship. But I suspect it may also be due to something else, something subtler and more misleading.

That something else is the very human propensity to insist on making the facts fit one's stereotyped preconceptions—in this case to treat a South American revolution as a phase of the Russian revolution, and then to suppose that all revolutionary conditions in the world begin and end in Moscow, that but for Moscow there would be no revolutions.

IN AN EPOCH which is as revolutionary as ours this can be a dangerous infatuation. For it concedes to Moscow exactly what Moscow claims and desires; that all the oppressed and discontented masses of mankind, and there are plenty of them, must look to Moscow for leadership, inspiration, and support. More dangerously even than that it places us in the position where we cannot lead, where we can offer no hope to these masses, and where all we do is to range ourselves with those against whom their discontent is directed.

The stereotyped assumption that all discontent is Communist-inspired, that all discontent emanates from Moscow, will, if we persist in holding to it, be as fatal to our hopes and policies as it is contrary to our traditions and our genius. For America will never lead the nations to freedom and justice if, in our anxiety about the Red menace we become so hysterical about the Red scare that we can no longer distinguish between democracy and reaction, and lose our sympathy for and our touch with the suffering and bewildered masses of mankind.

Nor shall we be able to read and understand the intelligence reports which come in, no matter how many agents we hire and no matter how we organize the Central Intelligence Agency.

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THE AFTERMATH of the Bogota explosion shows that it could not have been easy to foresee it. For even by hindsight there is as yet no convincing and consistent story of what happened. That may be due in large measure to the censorship. But I suspect it may also be due to something else, something subtler and more misleading.

That something else is the very human propensity to insist on making the facts fit one's stereotyped preconceptions—in this case to treat a South American revolution as a phase of the Russian revolution, and then to suppose that all revolutionary conditions in the world begin and end in Moscow, that but for Moscow there would be no revolutions.

IN AN EPOCH which is as revolutionary as ours this can be a dangerous infatuation. For it concedes to Moscow exactly what Moscow claims and desires: that all the oppressed and discontented masses of mankind, and there are plenty of them, must look to Moscow for leadership, inspiration, and support. More dangerously even than that it places us in the position where we cannot lead, where we can offer no hope to, these masses, and where all we do is to range ourselves with those against whom their discontent is directed.

The stereotyped assumption that all discontent is Communist-inspired, that all discontent emanates from Moscow, will, if we persist in holding to it, be as fatal to our hopes and policies as it is contrary to our traditions and our genius. For America will never lead the nations to freedom and justice if in our anxiety about the Red menace we become so hysterical about the Red scare that we can no longer distinguish between democracy and reaction, and lose our sympathy and touch with the suffering and bewildered masses of mankind.

Nor shall we be able to read and understand the intelligence reports which come in, no matter how many agents we hire and no matter how we organize the Central Intelligence Agency.

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WASHINGTON SCENE By GEORGE DIXON

A PIECE of shameful asininity on the part of the Truman Administration made it possible for us to get caught with our pants down in the Colombia revolution.

Washington is currently chuckling over the gag: "Bogota is the first time Gen. Marshall has been caught by surprise since Pearl Harbor." But it ain't very funny when you know all the details. The way we scuttled our intelligence in South America is shameful.

Here's the story:

In 1938, after the arrest of four spies in New York, practically everybody in the country wanted to be a spy-catcher. It represented a glorious opportunity to hop on a bandwagon.

The late F.D.R., badgered on all sides by politicians who wanted to be the nation's No. 1 spy-catcher, sleuthing stealthily before batteries of newsreel cameras, wanted to turn the whole works over to J. Edgar Hoover and the FBI. Hoover, who knew it was too big a job for any one agency, talked him out of it.

The upshot was that espionage was divided between Army, Navy, and the FBI. The concept was that, in the field of intelligence, it was foolish to carry all the eggs in one basket.

IN DIVIDING up the world into intelligence spheres consideration was given as to which agency could operate in which sphere most efficiently. The FBI was assigned the Western Hemisphere.

It has never been publicized but the FBI had as many as 400 agents operating in South America alone. The story of what they achieved probably never can be written for diplomatic reasons but we could have lost the war by way of South America without them.

Americans can never know how many plots for our undoing they nipped in the bud. Countless Nazi-inspired and Nazi-financed revolutions aimed at setting up governments inimical to us were foiled by our G-men.

They got wind of the incipient revolts, reported to the State department here—and a word to the wise in the right place did the rest.

Our agents got to be experts at smelling out revolutionary plots before they were hatched. Trained in spotting the symptoms of subversiveness they staved off many an epidemic.

CAME the end of the war and the OSS began looking for ways to perpetuate itself. This cloak and dagger outfit, full of romantic notions, wanted to keep going at any cost.

Pressure was brought to bear upon President

Truman, whose pressure-resistance to forces close to him is remarkably low. So, with a stroke of the pen—as Gov. Tom Dewey told me in an interview a couple of weeks ago—he wiped out the combined Army, Navy, FBI intelligence set-up and established a thing called the central intelligence group.

Under unification this became the central intelligence agency, responsible only to the secretary of defense. The State department, which had been the evaluating agency under the old set-up, was kicked out of the picture.

The first thing the new outfit did was to order the FBI out of South America!

All our agents, trained in Latin-American intrigue, had to be recalled. Bookies, many of them stumblebumps, who didn't know a tort from a tortilla, were sent in their places.

UNDER the old set-up the investigators merely gathered the information. They made no attempt to evaluate it. This was the job of the experts in the State department. J. Edgar Hoover's contention has always been that investigators should be charged solely with the gathering of facts; they should not try to interpret them.

In ordinary criminal procedure we have always adhered to this concept. The copper makes the pinch on the basis of evidence. It's up to the district attorney to decide if he has a case.

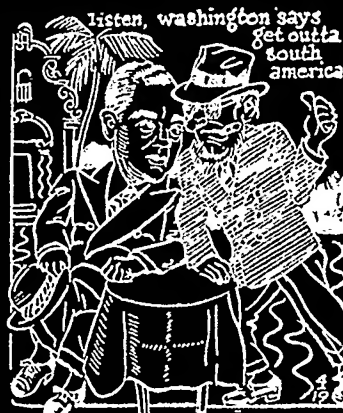
The central intelligence agency, however, took upon itself to be both fact-finder and evaluator. In other words it's the copper, prosecutor, judge and jury.

You can see how efficient it is, from the Bogota business. Apparently everybody in Latin-America but our CIA agents knew what was afoot.

IF THE CIA is operating as efficiently in the rest of the world as it is south of the Isthmus Secretary Forrestal ought to receive confidential reports any day that communism is breaking out in Russia.

THANK goodness I can let off a little steam today. I'm going to try to work some indignation out of my system at the expense of our other senators. I'm going to the ball game! I understand the President is going to throw right-handed. They tell me he's a little rusty in that direction.

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Clerk to the Intelligence Group

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Washington Scene

By George Dixon

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at investigators should be charged solely with the gathering of information; they should not try to interpret them.

In aid the Soviet Union would run the risk of expansion if countries of Europe were weakened by a crisis.

Nearly a mile and a half away, Communists had organized a counter-demonstration, and 100 armed troops, security guards, and police formed a solid corollary between the two rallies to prevent a clash between the demonstrators.

United Press reported that public guards, wielding nightsticks, charged and broke up the crowds of Communists.

They invaded the port shortly after Gen. De Gaulle spoke in defiance of their no-lence pledge.

The R. E. swarmed the waterfront when the Gaule ended and

formed their ranks again. Presses again after charges by the security guards, the report said.

De Gaulle accused the Communists of taking advantage of the European crisis to organize "cooperation" in the various European nations.

as it is France's post-liberation confidence. President said after in Russia, assuming office he had done everything possible to persuade the Soviet Union to cooperate to try the free nations of the world of our "cure" the wounds of the war.

I'm verse. "That hope has become a illusion," he added.

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MAY 18 1948

CAITOL STUFF

By JOHN O'DONNELL

JUST a year ago this month Alice Roosevelt Longworth tossed the acid quip at Secretary of State General George Marshall as he returned from his mission to Moscow fiasco:

"The general is improving as a diplomat. It took him thirteen months to fail in China. In Moscow he cut his failure time down to six weeks."

Mrs. Longworth might now add that the Secretary of State gets better and better as he gallops headlong to establish the all-time record as the world's outstanding diplomatic floperoo.

At Bogota, Marshall has just whittled his failure time down to ten days. Because of sheer ignorance, the lack of an intelligence set-up to tip him off to what the bad boys were planning, the distinguished Secretary of State is responsible for turning the U. S. dominated, Marshall-run Inter-American Conference at Colombia into a bloody tragic-comedy with global suffaws belching forth as the pompous U. S. diplomats are smacked in the seat of their striped pants by the Reds and pinkos in those ever-loving democracies South of the Rio Grande.

WE WANT to give the Secretary of State a fair break on responsibility for the uproar, bloodshed, revolution, and general hell raising created so close to our vital and sensitive Panama Canal.

Honestly, we don't think that Secretary of State George Marshall had any more idea of what was going to happen in Bogota on April 9, 1948, than Chief of Staff George Marshall had about what was going to happen at Pearl Harbor on the morning of Dec. 7, 1941.

Even to this day, the distinguished chief of the foreign relations branch of the Administration can't recall even under oath where he was the night before Pearl Harbor and we have a hunch that the same thing goes for Bogota.

And it's even money that the top member of the Truman Cabinet was horseback riding at the moment when the Moscow musclemen planted in those ever-loving sister democracies were taking the U. S. State department delegation for a ride that should win the Pan-American award for making Uncle Sam look sappy, silly, and stupid.

WELL, we asked for it, and the Truman-Marshall team of international thinkers certainly made sure that we got it. Now what?

So far as Pearl Harbor is concerned this "It pays to be ignorant" policy of the late Commander-in-Chief Roosevelt and the former Chief of Staff General Marshall always brought from our always shy and modest mouth the observation that it's a hell of a way to run an army.

And the idea of staging a big whoop-dee-doo papa loves his little Latin-American cousins act in foreign terrain without finding out in advance whether the playful little boys were going to yank the rug out from under papa and sit him down on his dignified coccyx or give him a hot foot just when he was pouring out the gravy, is a hell of a way to run the State department of these United States of America.

You can put all the blame right in the lap of one President Harry Truman and one Secretary of State George Marshall. The Congress has given them plenty of money to buy information. They don't even have to account for it—and don't.

Now comes the pay-off. The taxpayers' millions might have been misspent, stolen or squandered and the information and political intelligence never obtained. That's possible.

Or, and this is probable, the dough was passed out to sundry spies, informers, cloak and dagger boys, mistresses of foreign big shot politicians and we really did get something worthwhile back. But by the time it had been checked against the reports of honest to God American businessmen on the scene it either arrived too late or didn't arrive at all on the desks of Truman or Marshall.

In any event, this whole fiasco at Bogota clearly indicates that the boys under Marshall and including the general himself hadn't been given the low-down on what might happen and when and how—and it was their job to know just those answers and act accordingly.

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*Devastating
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NOW of course we're going to be mighty stubborn about all of this. We want to insist that the party goes on, all us Pan-Americans cuddle up together and after a good night's sleep we'll all have a good laugh around the breakfast table, remembering how funny it looked when Uncle Sap got generously drunk and then was insulted as hell when cousin Amigo told him where he could stick that big wad of dough he was waving around in the "let's buy loyalty" bargain sale.

WELL, let's add it up. During the late war, out of the income taxes of John Citizen of the U.S. we kicked in around \$145,000,000 at F. D. Roosevelt's urging to throw our weight around south of the Rio-Grande for buying undying friendship through the medium of one of the screwiest setups that the New Deal ever dreamed up.

We are talking about the office of inter-American affairs headed up by the serious-minded, hard-working do-gooder, Nelson Rockefeller.

When F.D.R. first baptized this monstrosity it was known as the office for the coordination of commerce and cultural relations between the American Republics. Quite a mouthful that.

And it was filled with American and foreign-born pinks and punks.

And if the distinguished secretary of state wants to know how the Reds are finding smooth sailing down there at this time let him check back on the radio programs and newsreels we poured over Central and South America during the war, preaching the Elmer Davis-Archibald MacLeish-Bob Sherwood doctrine that Pal Joey was an ever loving ally, and that Russia was a liberty-loving democracy, just like the rest of us.

Chew on that one for a while. If there are Reds south of the Rio Grande, and there are, it was U.S. dough and U.S. New Deal pinko propaganda that needed them up.

OF COURSE, time was when the FBI kept a pretty good check on these Commies down around the Panama canal. But President Truman and former Chief of Staff Marshall didn't want it that way. They set up the Central Intelligence Agency. And the Central Intelligence Agency promptly sabotaged our one effective, smooth working, counter-espionage system that set up a perfect wartime record in this hemisphere under FBI direction.

Well, seems the Truman-Marshall private G-2 set-up isn't as hot as it should be. And now the boys are going to ask and get the answers as to the amount of their secret dough, how they're spending it—and why they buy so many phony packages and never come back with the right answers.

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Unit to Check Intelligence On Bogota

A House subcommittee was named yesterday to find out whether United States Intelligence Service had advance word of the revolution in Colombia and gave warning to proper officials.

The inquiry was voted by the House Expenditures Committee at the request of Representative Clarence J. Brown (R., Ohio).

Brown said the uprising had endangered the lives of Secretary of State Marshall and Secretary of Commerce Harriman, who are attending the inter-American conference in Bogota.

"If they had been killed it might have been an incident leading to war," he told the committee.

Brown said the inquiry should determine whether State Department officials were told of conditions and, if not, why not. He added that he had been informed that intelligence services of other countries knew weeks ago a revolution was impending.

Brown later told reporters that Rear Adm. R. K. Hillenkoetter, director of the Central Intelligence Agency, and Army and Navy Intelligence officials probably will be called to testify at a hearing.

Referring to the Central Intelligence group, Brown continued:

"I think Congress has the responsibility of knowing what is going on in this agency."

Named to a subcommittee to hold the hearing were Chairman Hoffman (R., Mich.) of the full committee, Representative McCormack (D., Mass.) and Brown.

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WASHINGTON POST

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4-14-48

Washington Calling

By Marquis Childs

Patchwork Intelligence

BLOODY REVOLUTION is part of the fabric of Latin-American politics. But such revolutions do not just happen suddenly and for no reason at all.

They grow out of long-smoldering resentments and conflicts, sparked by leaders whose aims and ambitions are fairly well known. Over the ashes of tragic Bogota is a towering question mark.

Were American officials sufficiently well informed about the explosive potentialities in Colombia? A number of other related questions occur, but that one is paramount.

For the first time in its history this country has a Central Intelligence Agency. The agency, under the direction of Admiral R. H. Hollenkoetter, has its own staff of agents. In addition, it coordinates the intelligence reports of the Department of State and National Defense, the Atomic Energy Commission and the Federal Bureau of Investigation.

Although outsiders can know almost nothing of its work, the hopeful impression prevails that Washington is for the first time equipped to learn what is about to happen well in advance of its happening. There is evidence, however, that the cloak and dagger atmosphere hides, in some instances at least, the kind of knowledge that an earnest reader could obtain in the Library of Congress.

One of the civilians entitled to receive and read the intelligence agency's top secret reports gets a lot of laughter out of the privilege. He has become accustomed to the kind of anticlimax that bursts with the fury of a child's popgun.

HERE IS an example. A heavily armed messenger of the Intelligence Agency arrives with a top secret document. It can be delivered only into the official's hands. The seals must be broken in the presence of the armed messenger and the official.

If the official should decide to take it home and read it overnight, being a busy and hard-pressed man, then an armed guard would have to patrol his house during the night. He examines the document and finds it is a copy of a report printed in London and available to a fairly sizable number of readers.

It is understandable that a brand-new intelligence agency cannot achieve perfection overnight. Years of experience and development are necessary to round out such an organization.

At one point, however, a matter of elementary cooperation would bring a decided improvement. This is the point at which internal security and foreign intelligence meet.

Under the law, the FBI is responsible for internal security. This covers sabotage, with all its new and terrifying possibilities in bacterial and atomic death. But the authority of the FBI ends at the water's edge where Central Intelligence and the Army and Navy take over.

COORDINATION is not good. I have learned of specific examples of where it has failed and where the failure could be serious.

During the war and in the events that led up to war, the Army and Navy tended to treat the FBI like a dubious stepchild. For example, the Navy had specific information about the landing of two enemy agents in New England. This information was not passed along to the FBI for 10 days and then only in a vague and guarded form, although detection and capture of the agents was the job of the FBI.

A glaring example came to light in the Pearl Harbor investigation. The FBI in Hawaii, and the FBI alone, mentioned a telephone call from Honolulu to Tokyo on December 6, 1941. This revealing conversation, with its thinly disguised references to a major event to come, was passed on to both Army and Navy commanders. It was ignored.

The very fact of an arbitrary separation between domestic security, on the one hand, and foreign intelligence and security, on the other, is dangerous in the face of the threat of world communism. That jealousies should hamper cooperation is fantastic at this moment in history.

Military policy-makers say the field of internal security is "under study." There is little time left for study. We need, and quickly, an efficient, mature agency that can bring together all sources of information and analyze them promptly. The kind of explosion that occurred in Bogota should not come as a surprise.

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APR 13 1948

By Marquis Childs

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The Changing World

U. S. 'Loss of Face' at Bogota Seen Due To Intelligence Unit's Lack of Training

By Constantine Brown

Official quarters in Washington admit reluctantly that the Bogota revolt, carefully planned and skillfully executed by the thousands of Moscow agents who have infiltrated into the Western Hemisphere, has caused us to lose face all over the world.

At the same time it has become evident that division of American intelligence services into airtight units—foreign and domestic—was a mistake.



Communism, like Nazism and Fascism, arose outside of the Western Hemisphere. Communism is being used by Russia—more than Hitler used Fascism—as a political, economic and social weapon to put Russia's plans for world domination into effect.

Moscow has far greater means than Hitler ever had to place hundreds of thousands of agents of all races, creeds and nationalities in every corner of the globe. And the United States is poorly prepared at this time to meet the Soviet challenge.

Was 4-Way Job.

Before V-J day the intelligence services of the Army, Navy and State Department along with the Federal Bureau of Investigation split up between themselves the task of watching Russia's world-wide moves.

By mutual agreement, the FBI was given the job of keeping track of the Nazi, Fascist and Communist agents in South America, while the other services dealt with other parts of the world.

Army and Navy intelligence services and the FBI were assigned the job of checking on all subversive persons in the United States. This close collaboration worked as well as could be expected under existing wartime conditions, when nothing much could be done about the Communists and their ideological followers. Russia was militarily on our side in the war, and her agents had to remain unmolested, in order to avoid giving offense to the Kremlin.

After the war President Truman set up by executive order the Central Intelligence Agency. It took over the strategic intelligence functions of the armed forces and eliminated the FBI from the field of foreign intelligence.

When Congress enacted the armed forces merger bill in the summer

of 1947 this agency became our principal intelligence organization. Meanwhile, however, the FBI agents, who had done highly successful work in Latin America, were ordered recalled.

Thus, today we have two organizations with specific duties. Central Intelligence Agency, which is charged with collecting, evaluating and disseminating intelligence from abroad, and the FBI, which is responsible to the White House, the State Department and the armed services for tracking down Communist activities in the United States.

This appears to be an ideal arrangement on paper. Unfortunately, in practice it does not work out as well as it should. Communist activities in the United States cannot be checked properly, since Communist agents are closely linked with headquarters in other parts of the world. Communist activities throughout the world are directed by the Politburo and the MVD in Moscow.

Couriers carry oral instruction to Communist conspirators in the United States and Latin America. Large sums of money are brought in diplomatic pouches to the Russian and satellite embassies. A courier on his way to the United States makes a wide detour by way of Western Europe and several Latin American republics before reaching an American port of entry. The responsibility for following his movements abroad rests with Central Intelligence; the job of following him in the United States rests with the FBI.

No Time to Train Men.

By and large Central Intelligence has competent and skilled personnel. But it has not had time yet to train men capable of performing all the complex duties given to it.

J. Edgar Hoover's men in South America invariably were able to perform their jobs well, because over a period of years they had made excellent contacts. They were aware of Communist moves in every South American country where they were stationed and reported them by radio to Washington. During the six years they worked in Latin America they were able to keep the American Government fully informed not only of the movements of couriers, but also of the coups which the Politburo was planning in the Southern Hemisphere.

Now that their duties have been taken over by able, but necessarily less-experienced men, the American Government is handicapped severely in tracking down Communist agents entering the country and Communist conspirators in South America. The Bogota incident was a typical case.

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MARQUIS CHILDS

Explosion In Bogota Casts Doubt On Efficiency Of U. S. Intelligence

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This information was not passed along to the FBI for 10 days and then only in a vague and guarded form, although detection and capture of the agents was the job of the FBI.

A glaring example came to light in the Pearl Harbor investigation. The FBI in Hawaii, and the FBI alone, monitored a telephone call from Honolulu to Tokyo on Dec. 6. This revealing conversation, with its thinly disguised references to a major event to come, was passed on to both army and navy commanders. It was ignored.

Military policy-makers say the field of internal security is "under study." There is little time left for study. We need, and quickly, an efficient, mature agency that can bring together all sources of information and analyze them promptly. The kind of explosion that occurred in Bogota should not come as a surprise.

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MIAMI DAILY NEWS
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House Will Probe Lack Of Bogota Revolt Warning

Brown Group to Quiz Intelligence Agency

By United Press
A House committee voted today to investigate whether the government's central intelligence agency had warned the State department of the revolt in Colombia.

The investigation will be conducted by an executive expenditures subcommittee headed by Rep. Brown (R) of Ohio. Other members of the investigating group are Reps. Hoffman (R) of Michigan and McCormack (D) of Massachusetts.

Agency Head To Be Called

Brown, author of the proposal, said he probably will begin hearings Thursday. He said the first witness will be the head of the intelligence agency. He said he will then call agency officials in charge of investigating Communist activities.

They will be followed by officials of the Army, Navy, and State department intelligence agencies, he said.

"I do not think the State department would have agreed to holding the Inter-American Conference in Bogota, Colombia, had it known a revolution was impending," Brown said.

High Officials Periled

He said the rioting in Bogota endangered such high American officials as Secretary of State Marshall and Secretary of Commerce Harriman.

Brown said he did not know whether the intelligence agency has established a division to investigate Communist activities.

"But if they haven't, that, in itself will be a subject of interest to Congress," he said.

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The State of the Nation—By Marquis W. Childs

Washington. Bloody revolution is part of the fabric of Latin-American politics. But such revolutions do not happen suddenly and for no reason at all.

They grow out of long-smouldering resentments and conflicts, sparked by leaders whose aims and ambitions are fairly well known. Over the ashes of tragic Bogota is a towering question mark.



Were U. S. officials sufficiently well informed about the explosive potentialities in Colombia? For the first time in its history, this country has a Central Intelligence Agency.

The agency has its own staff of agents. In addition, it co-ordinates the intelligence reports of the Depts. of State and National Defense, the Atomic Energy Commission and the FBI.

There is evidence that the cloak and dagger atmosphere cloaks, in some instances, the kind of knowledge that could be obtained in the Library of Congress.

Here is an example. A heavily armed messenger of the Intelligence Agency arrives with a top secret document. It can be delivered only into the official's hands.

If the official should decide to take it home and read it overnight, then an armed guard would have to patrol his house during

the night. He examines the document and finds it is a copy of a report printed in London and available to a fairly sizeable number of readers.

It is understandable that a new intelligence agency cannot achieve perfection overnight.

At one point, however, a matter of elementary co-operation would bring a decided improvement. This is the point at which internal security and foreign intelligence meet.

Under the law, the FBI is responsible for internal security. But the authority of the FBI ends at the water's edge where Central Intelligence and the Army and Navy take over.

Co-ordination is not good. During the war and in the

events that led up to war, the Army and Navy tended to treat the FBI like a stepchild. For example, the Navy had specific information about the landing of two enemy agents in New England. This information was not passed along to the FBI for 10 days and then only in a vague and guarded form, although detection and capture of the agents was the job of the FBI.

Military policy-makers say the field of internal security is "under study." There is little time left for study. We need, and quickly, an efficient, mature agency that can bring together all sources of information and analyze them promptly. The explosion that occurred in Bogota should not come as a surprise.

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WASHINGTON MERRY -GO- ROUND

By Drew Pearson

(The author of this column is given the widest latitude. His views do not necessarily reflect those of The Mirror.)

WASHINGTON, Dec. 16

—G.O.P. Rep. Frederic R. Coudert of New York certainly had his tongue in his cheek when he told reporters that the big dinner he threw for Gov. Dewey was nothing more than a "friendly" testimonial with no accent on politics.

The guest list—about 100 Republican House members and one Senator, Irving Ives of New York—was carefully culled from among the members of Congress either friendly to Dewey or "on the fence." Great majority of the banqueters were from Eastern and New England States.

Senator Ives, a red hot Dewey man, was one of the three speakers, the others being House G.O.P. Majority Leader Charles Halleck of Indiana and Dewey himself. House Speaker Joe Martin, though present, did not speak. Coudert acted as toastmaster.

Ives, who was put in the Senate by Dewey and has turned out to be an A-1 choice, made it clear that he was out to win support for Governor Tom. He also drove some hammer blows for party solidarity in the coming campaign.

"A political race is like a horse race," Ives asserted at one point in his rousing address. "You can't win without unanimity."

Dewey also stressed the "unanimity" theme. He illustrated it by telling about his meetings with G.O.P. leaders in the New York Legislature every Sunday night when the Legislature is in session.

"We make unanimity a religion," Dewey declared. "If there is one dissenter among us on an important issue facing the Legislature—and we don't always agree—we postpone action for another week and then try to get together the following Sunday."

Dewey Slaps Marshall

With this as an opener, Dewey got in some licks against the Administration's handling of foreign aid.

Dewey criticized our rigid attitude toward China. "I have a deep and abiding faith in them (the Chinese people)," he asserted. "If v-

think in terms of a united world, can't be done without China."

NOTE—When Rep. Charles Halleck of Indiana spoke, he referred to Rep. John Taber, the No. 1 economizer, as "Generous John."

U. S. Foreign Agents

IT IS now no secret that the first permanent, full-fledged intelligence agency in U. S. history, fashioned after British intelligence, is now functioning on an elaborate scale at U. S. diplomatic posts throughout Latin America.

Although the high-powered Central Intelligence Group has agents assigned to more than a score of embassies and consulates in Europe and Asia, the real tryout of its plan of operations is currently taking place in Latin America.

This is because Latin-American governments have become accustomed to the presence of undercover operatives in our diplomatic mission. Beginning in early 1940, FBI agents were attached to U. S. embassies in

VFW Honors Pearson

In what was described as an "unprecedented award," the Veterans of Foreign Wars last week gave a National-leadership citation to The Mirror's Drew Pearson, for "outstanding service in the planning and administration of the Friendship Train and the Friend Ship." The presentation was made by V.F.W. Adjutant General H. S. Hensley and read in part:

"The Veterans of Foreign Wars awards this citation for National Leadership to Drew Pearson, and offers its sincere appreciation for this humanitarian achievement. We believe Drew Pearson has made a valuable contribution to the welfare of the people of Europe and to the peace of the world."

most Latin-American capitals. By the war's end, their number totalled almost 700.

A year and a half ago, CIG agents started replacing J. Edgar Hoover's men in Mexico City, Havana, Rio de Janeiro and Montevideo. Now, the new organization has taken over entirely and not one FBI operative is left in all Latin America.

The big difference between the two outfits is that FBI men always remained technically independent, though working closely with diplomatic and military missions, while CIG personnel are an integral part of embassy and consular staffs.

Thus, the intelligence group has agents in every branch of the diplomatic service, from clerical departments right up to the top brackets. One ambassador to a Latin-American Republic is actually a CIG man.

Chief qualifications for a post in the new agency are, in the order given: (1) wartime intelligence experience, either in or out of the armed services; (2) educational background; (3) knowledge of foreign languages. A large majority of CIG agents now assigned throughout Latin America are veterans.

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INTELLIGENCE CLEARS SOME IT SUSPENDED

WASHINGTON, Nov. 4. (UP)—

The Central Intelligence Group

has created a "clearing house" for

all United States military and

diplomatic reports on foreign

countries, announced today that it

has reinstated some of the em-

ployees dropped last month as "bad

security risks."

A spokesman announced the re-

instatements and said they had

the personal approval of Rear

Admiral Roscoe H. Hillenkoetter,

chief of the CIG.

He declined to reveal, however,

how many employees had been

cleared. Unofficial reports had

placed the number dismissed at

twelve or more. The spokesman

would not confirm this.

The CIG shares with the State

Department and the armed forces

the right to suspend or summarily

discharge any employee suspected

of being a bad security risk. The

precise charges against the dis-

missed CIG employees have not

been revealed.

The spokesman indicated that

those reinstated had been cleared

by further investigation of their

backgrounds.

The State Department is now

under fire for discharging a num-

ber of employees whom it consid-

ered bad risks.

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THE NEW YORK TIMES

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Security Risks

In evaluating the Central Intelligence Agency's discharge of several employees as "bad security risks," it is necessary, in our opinion, to accept the premise that the director must have the right to dismiss anyone in whom he does not have full confidence. Anything less would jeopardize operations of incalculable importance to our national policy. This has nothing to do with union membership, which we regard as a false issue. Admiral Hillenkoetter by no means understated the case when he said: "If you're going to have a good intelligence agency, you have got to have very high security standards." It was for precisely this reason that the Central Intelligence Agency was established as an independent organization and was exempted from Civil Service regulations.

There is, however, a very great difference between a man who talks too much and a man who is deliberately disloyal to the United States. Yet, we submit, in the minds of many persons the terms "loyalty" and "security" are closely connected. The distinction is a vital one, and one which the CIA, now that its employment problems have been aired, has perhaps not taken enough pains to make clear. A person who is a "bad security risk" from the standpoint of the CIA may have done nothing more than arouse the suspicion that he is indiscreet. But in the present context of the country, to discharge an employee from the CIA for security reasons, or even for no stipulated reason, places on him an impossible stigma. In the eyes of potential employers his loyalty stands impugned.

The least the CIA should do in security cases where loyalty is not an issue is to give the employee a chance to resign without prejudice. Moreover, we think the CIA might well adopt the Civil Service discharge for "unsuitability"—meaning merely that the employee is unsuited for his present job by reason of temperament or otherwise, but is not disqualified for other Federal service. Recognition of the Central Intelligence Agency's special status by no means relieves it of the necessity for fairness. Nothing could be more unfortunate for the Government's loyalty program than to give impetus to the fear that cases of personality difficulty are being lumped in the same category with subversion.

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WASHINGTON POST
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The Federal Diary **Civil Service May Take Up Firing Under 'Security Risk'**

By Jerry Kluttz
Post Reporter

The Civil Service Commission may take up the cases of employees who have been fired on "security risk" charges from the State Department, Central Intelligence Agency and other "sensitive" agencies.

It opened the door to possible and "careful" handling of these cases in a new order yesterday which reads:

"When an employee has been removed on charges, the commission may receive the sworn statement of such employee, setting forth fully and in detail the facts surrounding his removal, and it may, within its discretion, make investigation to determine his eligibility for reinstatement insofar as suitability and fitness are concerned, and it will, after such investigation, advise such employee whether it has found him suitable for reinstatement."

The commission warned that no case would be considered unless it is submitted within six months from the date of removal.

The new order covers all cases except firings on loyalty charges. Loyalty cases will be considered by its to-be-created loyalty board.

The order was issued as Rear Admiral R. H. Hillenkoetter, chief of Central Intelligence, explained that his agency had fired "several" employees who were regarded as "bad security risks." The admiral explained the dismissals with this cryptic statement:

"If you're going to have a good intelligence agency, you have got to have very high security standards."

CIG serves as a clearing-house for all United States Intelligence reports from abroad.

Two of the employees discharged were members of CIO's left-wing United Public Workers. The union

charged they were fired because they were UPWA members and accused the admiral of running a "star chamber."

Hillenkoetter flatly denied the charge. He said that union membership was not considered in making the dismissals. "Each case," he explained, "was considered on its individual merits." Each employee, he said, was given a hearing before an impartial board.

SOME OF the employees fired were in the foreign broadcast division which monitors foreign broadcasts beamed to this country.

Hillenkoetter emphasized that the employees fired were regarded as "bad security risks." He did not say that they had been found to be disloyal. A bad security risk, in the eyes of the State Department, is one who is a heavy drinker, loose-talker, or gambler. Such high security standards are not required by all Federal agencies.

On the Civil Service order, a spokesman explained that it could not be used to force any agency to take back an employee it had fired even though he is cleared. However, Civil Service could recommend a fired employee it approves for reinstatement in another Federal agency.

In the case of CIG, that agency and all of its jobs are outside the Civil Service system. CIG operates under a special law which gives it the authority to fire any employee "when necessary or advisable in the interests of the United States."

THE CIVIL SERVICE spokesman explained the new order thusly:

"It was designed primarily to consider cases of employees who are fired because of personality complexes and because they

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were placed in jobs unfitted for their talents.

"We don't believe," he added, "that these people should be labeled for life as being fired from the Government."

"But under the order," he said, "we can handle the cases of security firings, but I can promise you that we will go into them very carefully."

Civil Service operated under a similar order during most of the war years.

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WASHINGTON POST

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CIG Fires 'Loyalty' Suspects

Defense Unit Purged 'For Security Reasons'

Rear Adm. R. H. Hillenkoetter, director of the central intelligence group, said today that "a number" of CIG employees have been dismissed for security reasons.

Hillenkoetter refused to reveal the exact number, although he said a published estimate of 12 was incorrect. He said the number was more likely to be considered "a few than a lot."

Suspects Given Hearings

Hillenkoetter said all the employees dismissed were given careful hearings and the results of the hearings before the CIG's review board had been personally checked.

Hillenkoetter added:

"I go over each case myself."

Hillenkoetter revealed the dismissals were made after routine FBI loyalty checks and further investigations by the CIG.

"We had an investigation and we think they are very bad security risks for the CIG," he said.

new Co-ordinating Agency

The central intelligence group is the newly setup coordinating agency for all intelligence—Army, Navy, air force, and State department.

Hillenkoetter, a veteran intelligence officer, was taken from the Navy to head it.

He revealed that "some" of those fired were employed in the foreign broadcast intelligence division of the CIG.

The foreign broadcast division monitors short-wave broadcasts from other countries and translates them for domestic consumption.

The intelligence chief said that the persons fired were handling confidential matter and for that reason were not considered safe risks in an intelligence organization.

"Without Prejudice"

He asserted that while the fired employees could no longer work for CIG, they were dismissed without prejudice and "can work for any other agency."

He said the action was taken as

(Turn to Page 2—SECURITY)

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Security

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routine matter and not because of any congressional pressure.

Firing of some of the employees was protested by the CIO United Public Workers of America. Hillenkoetter said he had received the protests and that the employees had had the right for a review before a board composed of the senior executives of the CIG.

"Upper Bracket" Men

The majority of the employees fired were reported to be in the upper brackets. One CAF-14, bureau chief resigned under pressure (salary above \$9,000), four CAF-9s (salary about \$5,000), one CAF-11 (salary about \$6,000), and several CAF-4s were reported to be among the nine.

FBI has been investigating since early August. FBI Chief Hoover was reported to have assigned his best men to the case and has been personally much interested in the clean-up.

The clean-up resulted from action on Capitol Hill. Veterans in CIG complained to members of the House civil service committee and un-American activities committee that a UPWA cell was actively conniving to bore into the organization and shove out loyal veterans. VFW, in fact, recently passed a resolution calling for a clean-up of CIG.

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'Slowdown' in CIG

By JOHN CRAMER

(Copyright, 1947, The Washington Daily News)

It may be denied but one of the things behind FBI's current investigation of Uncle Sam's super-spy agency, the Central Intelligence Group was a mysterious "slow-up" in the works of CIG's Foreign Broadcast Intelligence Division during last year's Paris peace conference.

This investigation has now led to the suspension of 12 CIG employees. And here's the story on the peace conference "slow-up."

The Foreign Broadcast Intelligence Division has the task of monitoring the propaganda broadcasts of foreign countries.



Mr. Cramer

These broadcasts, carefully interpreted, could give the U. S. delegation important advance tips on what the Russians were up to.

Mysteriously, however, FBI aides reported that they found it impossible to hear the Russian radio at repeated vital points in the conference.

This was attributed to "mechanical" troubles. It has never been proved that such was, not the case. However, the alleged "mechanical" failures made high CIG officials suspicious. And it was one of the factors which caused them to ask for an FBI investigation.

Also part of the background of the CIG investigation was a weird feud between the left-wing CIO United Public Workers union and the conservative American Federation of Government Employees.

Two reliable informants allege:

- That, for months, UPWA was very much "in the saddle" in the Foreign Broadcast Intelligence Division.
- That UPWA members had the complete support of high officials of the division.
- That some of them, at least, used this backing to make things thoroly uncomfortable for all who opposed them, including members of the AFGE.
- That this feud went much farther than a mere case of one Union bidding for membership against another union. Those who dared to openly oppose the UPWA faction found themselves assigned to unpleasant duties, or called on the carpet on one pretext or another. Several contended later that they were victims of "trumped up"

That, as a result of the general unpleasantness, several members of the anti-UPWA faction found it desirable to resign. Several others were forced out. And about two months ago, the AFGE unit at CIG disbanded for lack of members.

One of those who left carried his story to the FBI. He now has a letter from FBI Director J. Edgar Hoover, thanking him for his disclosures.

Only 300

Reconstruction Finance Corp. has only about 300 War Service employees left on its staff here. And of these, all but about 40 are stenographers, typists or clerical workers. . . . Government personnel directors are kicking up a storm of opposition against Civil Service Commission's proposed plan to curtail so-called "special" efficiency ratings for Federal employees. Here is the story:

Employees receive regular ratings once a year. Frequently, however, in order to determine the order of layoffs in a reduction-in-force, the agencies have to assign "special" ratings to some employees—those who have not been in their particular jobs long enough to receive a regular rating. Under the Commission's proposed plan, no employee could be given a special rating unless he had held his specific job at least 90 days. Instead, during the 90-day period, he would be assigned a "presumptive" rating. For those who rated "Unsatisfactory" on their last previous jobs, the "presumptive" rating would be "Fair." For all others, it would be "Good."

The personnel directors argue that this could easily work a great injustice on employees who had rated "Very Good" or "Excellent" on their last previous jobs. Since their presumptive rating could be no better than "Good," they would be the first to go in any layoff. Thus, it easily could happen that

Government would be forced to fire a really outstanding employee who had been presumptively rated "Good," while retaining a less capable worker who had been fortunate enough to get a regular rating of "Very Good."

TVA, Too

The Senate Appropriations Committee is keeping a close eye on Tennessee Valley Authority's expenditures. Presumably, it's looking for possible violations of the Anti-Deficiency Act, such as those it recently alleged against another dam-building agency, the Reclamation Bureau. . . . During last summer's heat waves, RFC had to excuse employees early from its new building at Connecticut-av and H-st. n.w. The building hasn't yet been air-conditioned. And during the first

chill days of Fall, RFC again had to excuse many workers. The building had no heat. Sometime next week, however, RFC expects that at least one of these problems will be permanently eliminated: New heating equipment is scheduled to be hooked up then. . . . Ralph S. Towers, well known to many General Accounting Office employees as assistant chief of that agency's Postal Accounts Division, now in Winston-Salem, N. C., will retire Oct. 31.

Listen to Mr. Cramer, Monday thru Friday, 6:25 p. m., WTOP.

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WASHINGTON EVENING STAR

AUGUST 2nd, 1947.

New Defense Setup

Necessary Adjustments in Unification Expected to Require Two Years

By George Beveridge

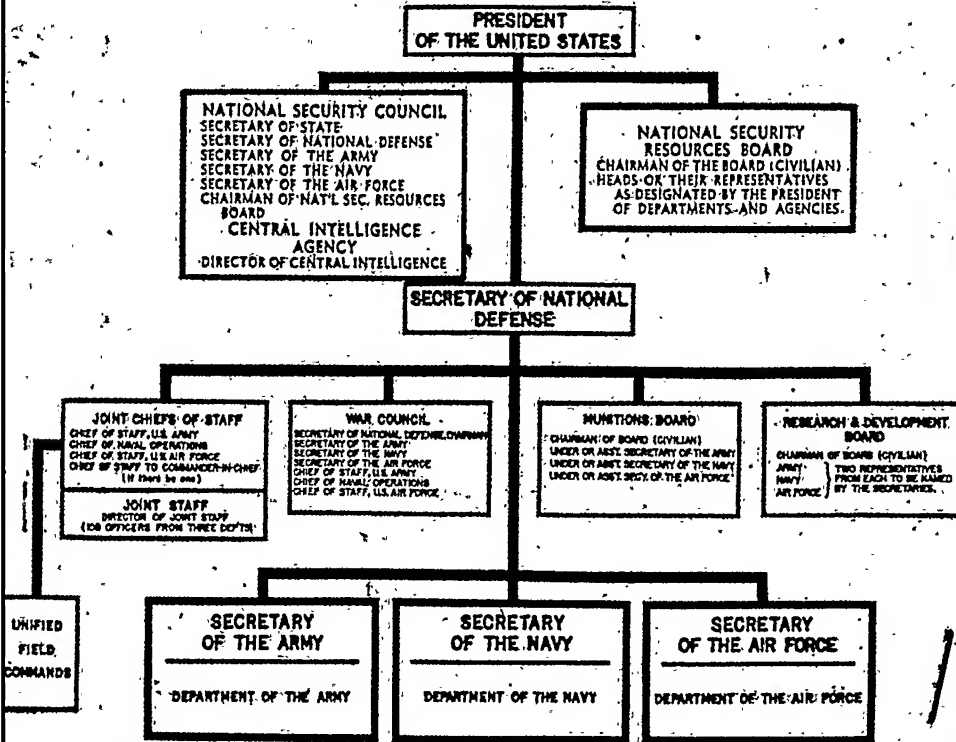


Chart showing organizational setup under the Armed Services Unification Act.

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The Nation's military leaders are faced with a great many adjustments and revisions during the next two years to put America's new plan for armed forces unification into operation.

The plan signed into law last week by President Truman created three separate and co-equal departments for the Army, Navy and Air Force. They will be headed by civilian secretaries without cabinet rank. Navy Secretary James V. Forrestal was named Secretary of Defense, with cabinet rank, to direct activities of all three. Other new agencies will co-ordinate virtually every part of national life that has an effect on security.

Military leaders, however, know their difficulties will not be confined to unified control at the top. Their job is to close gaps and prevent overlapping through all levels of the service.

The new law clearly outlines duties of tactical units of the armed forces. Principal problems of co-ordination, leaders feel, will affect the "service" corps, which support the tactical units.

An example is the probable re-vamping of military medical service. The Army and Navy have their own medical systems, directed by separate surgeon generals' offices. They have their own hospitals, their own doctors, their own methods of supply and administration, secured by long tradition and experience.

The Air Force, which has specially-trained flight surgeons to care for its flying personnel, has given up its fight for a separate medical system. How close the other departments will come to one system that would make common facilities available to all three is anybody's guess.

Another change will be a unified procurement system to buy, so far as possible, supplies for all the armed forces. The hope is to prevent duplication and rule out any possibility of competition being set up between forces buying the same types of items.

Difficult Tasks of Consolidation.

Attempts will be made to consolidate equipment specifications, but, officers point out, there are bound to be exceptions. In ordnance, for example, there is little in common between types of guns used by the Army, Navy and Air Force. Even while the Air Force was a part of the War Department, it developed its own independent research and procurement systems. Another major development will be co-ordination of training between the services.

One of the toughest jobs facing Mr. Forrestal is to set up a powerful budget system to co-ordinate preparation and submission of budget estimates for all the departments. He will have to decide which service needs the bulk of the defense appropriation, according to the overall defense need. This year the departments are operating under separate appropriations.

All personnel of the Army Air Forces, both military and civilian, also will be transferred to the new department. No changes in rank will be made as a direct result. The law also states that civilian workers will not be promoted or demoted so far as pay is concerned, but that they may be assigned to different duties.

More complicated is the question of whether military personnel in such services as the Engineer, Signal and Medical Corps—which support the air forces—will be transferred or will maintain their status in the Army depart-

ments. Air officers hope the men will be allowed to transfer, with assurances that they will keep the same opportunities for advancement they hold as members of the Army.

Some officers see a likelihood that court-martial systems will be standardized, along with studies of dozens of other proposals to equalize treatment and opportunities. One will be the ROTC programs of the Army and Navy.

The new United States Air Force will permanently take activities built up during the war by the Army Air Forces. They include every phase of air action except support of the fleet, naval reconnaissance and anti-submarine warfare—duties of Naval Air Forces. Still to be decided is the question of consolidated air transport activities, now operated separately by the Army's Air Transport Command and the Navy Air Transport Service.

New Agencies and Their Work.

Establishment of the new agencies ordered in the law and their present counterparts, include:

1. The National Security Council.

Corresponding to the present "Committee of Three"—the Secretaries of State, War and Navy—the council will be composed of the President, military department secretaries and chairmen of the National Securities Resources, Munitions and Research and Development Boards. It will deal with overall problems of military power in relation to defense needs.

2. The Central Intelligence Agency.

Existing now in modified form, the agency will be headed by either a military or civilian appointee of the President. It will co-ordinate intelligence services of all agencies so far as they relate to defense, but will maintain no investigating power and will have no enforcement powers.

3. The National Securities Resources Board.

A new agency, the board, headed by a civilian appointed by the President, will be concerned with manpower and natural and industrial resources of the Nation.

4. The Joint Chiefs of Staff.

Existing now by executive order, the staff will consider problems of unified command, joint training and personnel and material needs. Up to 100 junior officers will assist as members of a joint staff.

5. The War Council.

Composed of Mr. Forrestal, the three military secretaries and the chiefs of staff, the council will meet on broad policy matters of the armed forces.

6. The Munition Board.

This agency, existing now, will be headed by a civilian appointed by the President. It will deal with procurement and supply matters, and will be in charge of standardization of equipment whenever practical.

7. The Research and Development Board.

Headed by a civilian, the board will advise the Secretary about the status of scientific research affecting military security and to supervise research within the armed forces.

Until further appointments are made, the acting civilian department secretaries are: Army, Secretary of War Kenneth C. Royall, Navy, Undersecretary of Navy John L. Sullivan, and Air, W. Stuart Symington, Undersecretary of War for Air. The Army and Air Departments will be headed by military Chiefs of Staff. A Chief of Naval Operations will be the top military man in the Navy Department.

Civilian Job

House conferees, we hope their guns in their insistence, forces unification bill provide for director of central intelligence. concession the Senate can afford to make in the interest of agreement. It is a concession to the American tradition of civilian preeminence, and one which in the vital field of foreign intelligence may spell the difference between a series of disruptive makeshifts and a genuinely integrated, efficient intelligence service.

There is no more damaging influence in the effort to obtain correlated intelligence, we submit, than the frequent changes in direction which have beset the Central Intelligence Group in its 18-month existence. During that brief span two admirals and one general have held the job. If this trading back and forth between the Army and Navy were to continue, it could well mean failure for what the agency is trying to accomplish. For if there is any one thing that a smoothly functioning intelligence operation must have, it is continuity. That should be obvious from a study of the better established intelligence systems of other nations. Or, for further corroboration, we need only to look to our own Federal Bureau of Investigation. The FBI could not have built up its impressive record had it been bedeviled with constantly changing, helter-skelter direction.

To be sure, former chiefs of intelligence have shown a praiseworthy industry on behalf of the agency. It is undeniable, however, that they have been primarily military men pursuing military careers. Unless there is a definite stipulation that the director of central intelligence shall be a civilian in fact, the temptation will remain for Army and Navy appointees to use this job as a mere temporary stepping stone for ambitions along other lines. As we have noted before, such a restriction need not blackball the incumbent director, Admiral Hillenkoetter, who, we understand, has indicated his desire to make intelligence a career. But in return for a \$12,000 to \$14,000 salary the director ought to be required, we think, to relinquish completely his military status.

Furthermore, there are other strong reasons why the House rather than the Senate unification bill should prevail. respect to intelligence. The House bill contains certain essential checks as to operations. The job of the Central Intelligence Agency is to direct, evaluate and disseminate intelligence on a national scale. A military man such as the Senate bill permits would be under pressure to favor cronies in his particular branch of service to the detriment of the broad picture. He would find it more difficult to prevent cliques and maintain a balance among his subordinates. Finally, a not inconsequential consideration is the criticism of the unification bill as placing too much power in the hands of the military—a criticism that would be obviated at least in one particular by making the intelligence chief a civilian. Congress can remedy these weaknesses very simply by merely adopting the House version. In our opinion, this safeguard is necessary to fix intelligence in its proper place in the national security organization we are molding.

Mr. Tolson ✓
Mr. E. A. Tamm ✓
Mr. Clegg ✓
Mr. Coffey ✓
Mr. Glavin ✓
Mr. Ladd ✓
Mr. Nichols ✓
Mr. Rosen ✓
Mr. Tracy ✓
Mr. Carson ✓
Mr. Egan ✓
Mr. Hendon ✓
Mr. Pennington ✓
Mr. Quinn Tamm ✓
Mr. Nease ✓
Miss Gandy ✓

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WASHINGTON POST
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Unification of Armed Services

EXTENSION OF REMARKS

HON. J. FRANK WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 18, 1947

Mr. WILSON of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by George Fielding Eliot, from the New York Post of July 10, 1947:

UNIFIED INTELLIGENCE MAKES A LOT OF SENSE, GETS A LOT OF SNIPING

(By George Fielding Eliot)

"The United States should never again have to go hat in hand, begging any foreign government for eyes with which to see."

These are startling words. They are words worth thinking about.

They were spoken by Lieut. Gen. Hoyt S. Vandenberg, then Director of Central Intelligence, in testifying before the Armed Services Committee of the Senate with regard to the service unification bill.

This bill provides, among many other matters, for a centralized American Intelligence Service—the first in our history.

General Vandenberg was referring to the fact that for many months, at the beginning of the late war, we had to depend on the British intelligence system because we had none of our own. "This trust" added the general, "was generally well placed. . . . But we should not again find ourselves confronted with the necessity of developing our plans and policies on the basis of intelligence collected, compiled, and interpreted by a foreign government. We should be able to do these things for ourselves."

This would seem to make sense—a lot of sense. Yet the proposals for a central intelligence agency are being sniped at in Washington, and some of the sniping is getting into the public prints.

For example, it is being charged that Central Intelligence wants to do away with the intelligence services of the Army and Navy. Nothing could be further from the truth. What is desired is that information collected by military and naval attachés, and by such other means as are available to the War and Navy Departments, should be made available to Central Intelligence to be "put into the pot" with all the other information re-

ceived from other departments having foreign reporting staffs and from all other sources. The net result, after careful sifting and cross checking, becomes national intelligence.

It's true that some of the special agents of Army Intelligence are going out of the picture, but this is with the express approval of the Secretary of War in order to avoid duplication of effort. In this process some toes have been stepped on, some little empires have been swept away. Hence, some of the sniping.

Again we are told that the agents of the FBI in Latin America are getting the ax, and being replaced by amateurs from Central Intelligence. The fact is that FBI doesn't have enough money to take care of its vital work right here in the United States of America, and has no desire to spend any part of its budget on foreign intelligence, work which is the proper job of Central Intelligence.

As for the steps Central Intelligence is taking to replace these Army and FBI activities, would you expect these to be published for the information of all interested parties? They are effective steps, I am told, by a man who knows and whose word and ability command my confidence. My information stops right there, and it ought to.

One little item that has been noised abroad I am able to say is a downright falsehood. That is the pretty tale to the effect that one of our ambassadors has threatened to resign because he was compelled to have a Central Intelligence man attached to his embassy without any authority over the man's activities. This has been thoroughly checked on the highest level of authority. It just isn't true. But it shows the sort of thing that gets around when small-time personal empires are threatened with destruction.

We need a central intelligence service desperately in this atomic age. A difference of a few hours in getting information, a difference of a few words in its accuracy, may in the future make the difference between life and death for this Nation. And right now we can never discharge the heavy responsibilities laid upon us unless we have eyes with which to see the facts—and to see clearly. We cannot depend on the separate, uncoordinated intelligence efforts of the various departments. We had that before; the result was Pearl Harbor.

Central Intelligence is not designed to make policy any more than eyes are designed to think; but sound policy cannot be made without facts on which to base it, any more than a blind man can find his way through a trackless jungle.

See Re: C.I.S.

Congressional Record
Pages A3844, A3845
July 18, 1947

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CAPITOL STUFF

By JOHN O'DONNELL

WHEN the bill to unify the armed services gets out of the House committee on executive department expenditures you can expect some far-reaching changes in its present provisions for a Central Intelligence Agency.

This week some of our deeply disturbed professional spies—to put it bluntly—are arguing their case behind closed doors against the present Central Intelligence group which is by way of becoming a super-duper peacetime cloak and dagger office of strategic services set-up. More importantly Central Intelligence right now is gathering in all the overseas intelligence functions of the Army's G-2, Naval Intelligence, the State department, FBI, etc.

There is fear that this ambitious unit, which is a rather noisy set-up for a supposedly hush-hush organization, may reach into the Treasury and take over the overseas spying of the narcotic agents and the effective work done in foreign fields by the sleuths whose life-work is the trapping of smugglers.

ALL this would be another squabble of jealous government departments if it wasn't for the simple fact that the safety of the nation may well depend in these days of atomic warfare, on keeping most accurate tabs on the moves and weapons of potential enemies and watching and weighing the forces of personalities, politics, science and economics as they operate behind iron curtains in foreign clime.

If the professionals, trained in gathering intelligence in the field, have their way the Central Intelligence group will be restricted to the original intent of the Presidential directive which created it. This will hold the agency to the task of co-ordinating the intelligence poured into it from all sources—Army, Navy, State, etc.—then interpreting and evaluating the information and finally passing the finished product to the White House, the joint chiefs of staff and the interested groups.

IF THE heads of the present group have their way, Central Intelligence will do the job of collecting the original information with their own operatives. Instead of acting as a news editor, sitting at a desk and studying the information turned in by reporters at the scene of the news developments, they plan to go out and cover the stories themselves.

Already they have taken over some of the highly secret and highly successful foreign intelligence operations of the War department.

They have shouldered the FBI out of South America. They are trying to thrust some 1200 of their operators into the State department's foreign service. In one case an American ambassador in a Latin-American embassy has hastened home in a fury, threatening to hand in his resignation, because Central Intelligence insisted that one of its operators be given the protective disguise of an embassy attache while in fact he was completely independent of the Ambassador's authority and reported over his head to the intelligence chiefs back here.

IT'S an ancient truism of secret intelligence that "the life of a spy is to know, not to be known." Hence the amazement of the old-timers at the actions of the new setup in publicly recruiting agents under circumstances that reveal their identity to foreigners and thereby destroy their usefulness to us.

Central Intelligence has already set up a personnel-procurement division. A short time ago, the chiefs wrote, on the stationery of Central Intelligence a letter to an important American citizen with foreign connections offering him a job and outlining his duties as a spy. The letter was mailed to the prospect's New York headquarters but arrived after the gentleman had flown abroad. He passed through several foreign countries—many of them "extremely sensitive." The letter followed.

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Mr. E. A. Tamm _____
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Mr. Nease _____
Miss Gandy _____

C.I.R.-5

It was opened and read by the counter-espionage operators in foreign lands.

The payoff came with the revelation that the American in question had been doing highly important secret intelligence for the Army for years, was one of their best undercover operators and was made useless because the naive Central Intelligence had blunderingly tipped off the foreign countries.

AT THE outbreak of the war, German intelligence was the best in the world. Army, navy, foreign office operated independently then pooled their information with the high command. Then along came the political police, the Gestapo under the late Heinrich Himmler. The Gestapo, grasping for power, took over the work previously accomplished by the experts in the German armed forces and foreign office. Then the brilliance vanished—once the highly competent German professionals in the army and navy found themselves supplanted by Himmler's crew. The boys don't want that to happen here.

The new Central Intelligence has not yet had the blessing of Congress and it now seems likely that it may never come. Nonetheless, it issued a call through Civil Service a short time back announcing examinations for jobs as "intelligence specialists" at salaries ranging from \$7,102 to \$9,975 a year.

HERE'S the official description of what an "intelligence specialist" does to earn his money:

"Intelligence specialists plan, direct, control, or perform intelligence research, including analysis and research in connection with the solution of operating problems; determine intelligence information requirements; or plan and direct the activities of intelligence collection agencies.

"Intelligence research involves assembling, evaluating, analyzing and interpreting, orally or through written reports, information of the political, economic, social, scientific, technical, or military conditions in foreign areas, which may affect foreign policy or national security."

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Civil Service Exams Listed

The United States Civil Service commission has announced examinations for the appointment of intelligence specialists for the central intelligence group. The positions will pay from \$7,102 to \$9,975.

The C.I.G. plans to have between 1,500 and 1,800 agents in this country and around the world. At an average of \$8,500 a year for agents, this organization would spend between \$12,750,000 and \$15,300,000 a year on salaries alone.

At present C.I.G. is operating under a presidential directive issued early in 1946. The organization hopes to be established by law before congress adjourns.

It has been estimated that the unit plans to spend between \$30,000,000 and \$60,000,000 a year for correlating, gathering and evaluating intelligence.

To date C. I. G. has been engaged in a battle with rival intelligence organizations. Already it has forced liquidation of the Army's world-wide intelligence work and has effected the disbanding of the Federal Bureau of Investigation's extensive Latin-American undercover system.

The C. I. G. was originally established as an intelligence clearing house, but it has moved into the intelligence gathering field. Intelligence experts here are concerned about security in the new group, holding that it will be impossible to clear between 1,500 and 1,800 persons in the time C. I. G. hopes to set up shop.

Building of intelligence operatives is a long and slow process, they said. It takes years to train the men, and it takes long investigation to determine that a man is thoroughly reliable.

Mr. Tolson ✓
Mr. E. A. Tamm ✓
Mr. Clegg ✓
Mr. Glavin ✓
Mr. Ladd ✓
Mr. Nichols ✓
Mr. Rosen ✓
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Mr. Carson ✓
Mr. Egan ✓
Mr. Gurnea ✓
Mr. Harbo ✓
Mr. Hendon ✓
Mr. Jones ✓
Mr. Pennington ✓
Mr. Quinn Tamm ✓
Mr. Nease ✓
Miss Gandy ✓

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New CIG Secret Creates U.S. 'Gestapo' or 1,500 Agents

Operating Without Congress Authority But Quickly Seizes Power From Rivals

By WALTER TROHAN

A bureaucratic empire of more than 1,500 secret agents, reaching into the far corners of the world, is being set up in the National Capital under the noses of economy-minded Republican congressmen.

The new unit is the Central Intelligence Group, which was created in the State department to correlate, evaluate and disseminate intelligence information in the interests of preserving national security.

Expected to Dwarf O.S.S.

Between 1,500 and 1,800 agents are being sent throughout the world. Some of these will wear Army and Navy uniforms, but will not be subject to military control in any way. Others will be in civilian clothes.

On the basis of early operations the unit is expected to dwarf the controversial wartime Office of Strategic Services, the cloak and dagger agency which drew wide criticism.

Agents of the CIG have begun operations on the pattern of Russian secret police, the MVD or Nazi-gestapo agents, both of whom usurped diplomatic and intelligence functions.

Already the CIG has forced the War department to liquidate its worldwide secret intelligence work and has effected the dismantling of the FBI's extensive undercover system in South Africa.

Rival Agencies Fought

CIG members have frankly described G-2 Army intelligence, G-2 Navy intelligence, and the FBI foreign operations as "rivals" and consider their first task is to dispose of other American intelligence units.

One American ambassador has reportedly submitted his resignation as a protest against CIG activities in his embassy.

High CIG officials have said their operatives will be above military and naval attaches. A youthful uniformed CIG operative may issue orders to a general or an admiral on duty at an embassy, a CIG official said, because of the powerful unit of which he is the representative.

Plan to Spend Millions

The CIG is not yet authorized by law. It is operating on a Presidential directive, and it proposes to spend 30 to 60 million dollars, which does not show in the budget because the unit expects to draw on the Army, Navy, State department and funds placed at the personal disposition of the President.

The avowed purpose of the unit was to correlate and study information made available to the President by Government departments. However, the new agency promptly found a loophole in the charter which enabled it to establish a worldwide system of collecting information as well as evaluating what others collected.

The Presidential directive establishing the unit was issued January 22.

Under original plans CIG was to correlate information gathered by the Army, Navy and State departments. To be certain that the unit passed on the information it received from the various departments, it was provided that a copy of what was sent to the White House would be returned to the departments.

Rules Are Sidetracked

However, this is not being done. With CIG as a gathering agency, other departments are being short-circuited. CIG will both gather and evaluate information for the White House. It is expected that it will give more attention to what it gathers than what it receives from other departments.

Fleet Adm. Leahy, aide to Mr. Truman, picked the head of CIG. Rear Adm. Roscoe H. Hillenkoetter, who served Leahy when the latter was ambassador to the Vichy government of France.

CIG is seeking to have the Presidential directive, which created it, made the law of the land. In the House the bill is in the hands of the Committee on Expenditures in Executive Departments. The House Armed Services committee had issued a report recommending restriction of CIG operations to evaluating intelligence.

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Operating Without Congress Authority
But Quickly Seizes Power From Rivals

By WALTER TROHAN

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CAPITOL STUFF

By JOHN O'DONNELL

Washington, D. C., June 11.—Within the next week, Congress must step in and settle a furious behind-the-scenes battle which deeply involves the safety of the nation when and if the undeclared, push-button World War III breaks without warning upon the United States.

And this is actually a behind-the-scenes battle by its very nature, because the individuals and the exact nature of their work cannot be revealed. Involved are the trained, technical secret agents, the workers in Army and Navy Intelligence, the FBI and the State Department, whose job it is to gather information about potential enemies, nervous neutrals and even our supposedly ever-loving allies.

These groups are fighting to reserve their existence as experts in espionage and counter-espionage against what they see as the grasp for over-all power by the Central Intelligence Agency.

Already the Central Intelligence Agency has snapped away from the War Department the world-wide secret intelligence network, painfully, secretly and efficiently built up since the last years of the war. The same group has brusquely taken away the elaborate, expensive and functioning organization which J. Edgar Hoover established in South America.

Now comes the showdown.

The battle pivots on the final form in which the power and functions of the Central Intelligence Agency will be defined in the legislation designed "to coordinate but not to merge" the armed forces.

If the present measure goes through as written in the Senate, and without change in the House, the veteran intelligence experts assert that the nation will set up a "super-duper Gestapo-OSS cloak-and-dagger organization" which will direct the gathering of all the now independent groups—Army, Navy, State, Department and FBI. On the performance record to date, this already has been done by the Central Intelligence group.

What the opponents now plead for is that the Central office be held by Congress to the intent of the directive of President Truman which created the office in January, 1946.

Intended to Act as Intelligence Clearing House.

This original intent was that the central agency should receive all the information gathered by Army and Navy Intelligence, State Department, FBI, etc., weigh its importance and then disseminate the intelligence to the government departments concerned, and of course, pass on its final judgment and data to the President and the Joint Chiefs of Staff.

But instead of following out this program, Central Intelligence, to the dismay and over the objections of the veteran workers in the espionage fields, has proceeded to set up its own spy service. It is trying to foist 1,200 of its recruits on the State Department, for example, and has given orders (improperly, say the opponents) which have destroyed or weakened some of the most valuable and secret efforts of both the War Department and the FBI.

The immediate battle will take place in the House before the Committee on Expenditures in the executive branch.

The Gurney Senate bill, outlining the plan for unification of the armed services, provides that the original functions of the National Intelligence Authority, as created by the Presidential directive, shall be transferred to the newly created Director of Central Intelligence.

Opponents fighting the bill are eager to have the Central Intelligence retain its broad powers of collecting, evaluating and distributing information, but want one paragraph in the directive eliminated. Under this paragraph, Central Intelligence not only bloomed out into a super spy outfit in its own right, but whittled down the activities of old-line establishments.

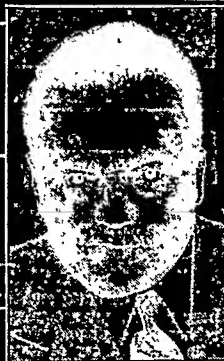
Central Intelligence Steps Out—on Few Words.

The snapper in the original directive, which the Gurney bill imbeds in the proposed law, is in the requirement that the Central Intelligence shall "perform . . . such services of common concern as the National Intelligence Authority determines can be more efficiently accomplished centrally . . . perform such other functions and duties relating to intelligence affecting the national security as the President and the National Intelligence Authority may from time to time direct."

On the basis of these instructions, Central Intelligence is moving out to take over the whole show of espionage other than such strictly limited and specific jobs as combat intelligence, operational performance, etc., of Army and Navy Intelligence. This means letting the Army limit itself to finding out what new guns a foreign power has, or the Air Forces to learning about that nation's planes. But Central Intelligence grabs for itself the tremendously all-important field of foreign investigation in industry, economics, politics, personalities, etc., about which we must know all if we are to be ready and able for defense.

The toughest and most reasonable objection to the idea of one big, all-powerful centralized super-spy and espionage monopoly in these troubled times is that you put all your war intelligence in one basket. Furthermore, you turn a spot-light on the basket so that the not-so-dumb potential opponent has a card index of your intelligence agents, can figure out from the U. S. budget how much you're spending for expenses and bribery and, if lucky, can upset the whole show by slipping one traitor or agent into the inner sanctum.

It hurts, but it's not fatal, if a Communist such as the recently convicted Carl Aldo Mazzanti lies his way into the old OSS or present State Department. War, Navy and FBI are operating independently on their spy fronts. But if you pull them all together, siphon all our secrets and espionage plans into one center, and then a spy gets in—that means trouble. That's one way to start a war—or even lose one.



J. Edgar Hoover
Fights behind-the-scenes battle.

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Ladd
Mr. Mumford
Mr. Pennington
Mr. Quinn
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THE WORLD AFTER THE WAR

By CONSTANTINE BROWN

FBI Withdrawal Leaves U. S.

In Dark About Latin America

Neither the State Department nor the American embassy in Managua knew in advance that Gen. Anastasio Somoza was planning to oust Leonardo Arguello, who succeeded him 26 days earlier as President of Nicaragua.

The American government was taken completely by surprise and when Assistant Secretary of State Spruille Braden made a phone call to Managua for more information, after receiving the brief announcement of the coup d'etat, it was too late to do anything about it.

Surprise over developments in Nicaragua is of little immediate importance. But it illustrates once more the lack of a properly organized intelligence — the eyes and ears of every government which has wide spread foreign interests.

The blame cannot be laid entirely on the State Department and its representatives abroad. Until the Fall of 1946, the FBI had officers in Latin America who, according to American diplomats in that area, did a remarkable job. They worked quietly and unobtrusively, keeping the embassies informed about developments in their respective areas.

However, soon after Lt. Gen. Hoyt S. Vandenberg succeeded Rear Admiral Sidney W. Souers as chief of the Central Intelligence Group, which was created a few months earlier by executive order, he decided to take over the Latin American sector from the FBI.

Every American Ambassador in Latin America cabled protests pleading with the State Department to use its influence to maintain the force of FBI men who had had six years experience in digging out Latin American intelligence. This was not possible, however, since Gen. Vandenberg, who was the responsible head of the new organization, wanted control over



all the areas in which he was supposed to operate.

At the same time Central Intelligence insisted that the War Department close down its political intelligence work in order, it was said, to prevent overlapping.

CIG had no appropriations, since it was created by an executive order and not by act of Congress. In order to operate, it had to borrow money from various government departments and agencies. Under these conditions it is evident that it could not send into the field operatives of the same caliber as those employed formerly by other intelligence services, which had the experience and the time to develop their men.

The result of this situation is that the United States, with political interests in every part of the world, is sadly lacking in information about developments abroad.

The international sky is covered with dark clouds and every government, including the poorest, is paying special attention to its pursuit of information about every phase of the life of other nations. The United States seems to be unaware of the importance of an intelligence organization and, because of the lack of money and misplaced prejudices, is proceeding as amateurishly as before Pearl Harbor.

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
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THE FBI's Withdrawal from Latin America

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Brooklyn Eagle
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This Changing World

Managua Coup Took U. S. by Surprise; Lack of Organized Intelligence Blamed

By Constantine Brown

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However, soon after Lt. Gen. Hoyt S. Vandenberg succeeded Rear Admiral Sidney W. Souers as chief of the Central Intelligence Group, which was created a few months earlier by executive order, he decided to take over the Latin American sector from the FBI.

Protests of No Avail.

Every American Ambassador in Latin America cabled protests pleading with the State Department to use its influence to maintain the force of FBI men who had had six years experience in digging out Latin American intelligence. This was not possible, however, since Gen. Vandenberg, who was the responsible head of the new organization, wanted control over all the

areas in which he was supposed to operate.

At the same time Central Intelligence insisted that the War Department close down its political intelligence work in order, it was said, to prevent overlapping.

CIG had no appropriations, since it was created by an executive order and not by act of Congress. In order to operate it had to borrow money from various Government departments and agencies. Under these conditions it is evident that it could not send into the field operatives of the same caliber as those employed formerly by other intelligence services, which had the experience and the time to develop their men.

The result of this situation is that the United States, with political interests in every part of the world, is sadly lacking in information about developments abroad.

CIG on 'Shoestring.'

There are intelligence organizations in every key department of the Government. State, War and Navy each has its own, and the CIG also is operating, but on a shoestring since drastic curtailment of expenditures does not permit it to borrow money from other organizations.

War Department intelligence is strictly limited to information about foreign military forces, since it is no longer allowed to handle either secret or political intelligence. The same thing applies to the Navy which, however, in the past took only a perfunctory interest in anything but strategic matters.

The CIG is without funds of its own and cannot now perform its expanded duties adequately. The FBI, which did a splendid job in South America, was compelled to withdraw from all activities except those concerned with tracking down criminals in conjunction with local authorities.

The international sky is covered with dark clouds and every government, including the poorest, is paying special attention to its pursuit of information about every phase of the life of other nations. The United States seems to be unaware of the importance of an intelligence organization and because of the lack of money and misplaced prejudices, is proceeding as amateurishly as before Pearl Harbor.

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Mr. Coffey ✓
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MAY 29 1947

WASHINGTON STAR
Page 7

60 JUN 2 1947

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46 JUN 17 1947

This Changing World

Managua Coup Took U. S. by Surprise; Lack of Organized Intelligence Blamed

By Constantine Brown

Neither the State Department nor the American Embassy in Managua knew in advance that Gen. Anastasio Somoza was planning to oust Leon-
ardo Arguello, who succeeded him 26 days earlier as President of Nicaragua.

The American Government was taken completely by surprise and when Assistant Secretary of State Spruille Braden made a phone call to Managua for more information, after receiving the brief announcement of the coup d'etat, it was too late to do anything about it.



Constantine Brown.

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RECOMMENDATION - CONSTANTINE BROWN

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New Espionage Setup?

Because intelligence activities necessarily must be kept secret if they are to be effective, it is difficult for news reporters to obtain confirmation or denial of recurring reports that the National Intelligence Authority is creating its own foreign espionage network. The latest of these reports, published in the New York Times, has the over-all agency substituting its own operatives for the experienced agents of the Army's G-2 and of the Federal Bureau of Investigation. It is known that the FBI has liquidated its wartime intelligence organization in Latin America, despite protests by Army and Navy officials. This is not surprising, however, because the FBI's operations below the border were undertaken solely as a wartime security measure.

It is recalled that the House Military Affairs Committee last December obliquely criticized the National Intelligence Authority as having assumed powers beyond what the committee described as a "reasonable" interpretation of the executive order creating it. This "reasonable" interpretation was that the President's order restricted the Authority to the job of correlating, evaluating and disseminating intelligence collected by such established agencies as G-2, Naval Intelligence, FBI and the State Department. The order seems clear enough on its face. It specifies that the Director of Central Intelligence under the NIA shall "accomplish the correlation and evaluation of intelligence relating to the national security" and, in so doing, shall make "full use" of the existing intelligence agencies of the Federal Government. No mention is made of a new investigative setup, to be operated by NIA independently.

In view of the wording of the order it is difficult to credit persistent reports that the Authority is doing anything more than what it was supposedly created to do. The original plan has the merit of insuring objective evaluation by an over-all agency not itself engaged in competitive investigative operations. However, since there seems to be doubt in some quarters as to the exact extent of NIA jurisdiction, it would be advisable, for Congress, in shaping a reorganization of the military services, to limit powers of the new agency to coordination, correlation, evaluation and dissemination of intelligence only.

File 11

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World-Telegram
New York, N. Y.
108 #1

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Inter-Agency Discord Snarls U.S. Spy System

by the United Press.

WASHINGTON, May 24.—Control and development of this country's hush-hush international spy network is the subject of an undercover inter-agency controversy which may yet get an airing in Congress.

The crux of the controversy is an attempt by the new Central Intelligence Group to take over global espionage activities heretofore handled by other agencies. Nobody concerned wants to talk or quotation because the operation by its essential nature is supposed to be as secret as the inside of an atomic bomb. But tempers are running high in some quarters, and representations have been made to members of Congress.

The issue may not be resolved until Congress does something about unification of the armed forces.

Agree on Objective.

The battle is over ways and means of accomplishing an objective on which there is general agreement — the operation of a world-wide secret intelligence network. Both the Russian and the British have had espionage systems far superior to ours.

Major antagonists in the fight now going on are:

1. The National Intelligence Authority set up by President Truman in 1946, and its operating agency, the Central Intelligence Group now headed by Rear Adm. Roscoe H. Hillenkoetter.

2. Army intelligence officials who for five years have been operating an extremely secret espionage ring.

Naval intelligence and the Federal Bureau of Investigation also are involved, but are keeping more on the sidelines.

The controversy started when the Central Intelligence Group, while it was headed by Lt. Gen. Hoyt S. Vandenberg, ordered the Army to disband its political intelligence work.

Gave Order to FBI.

The National Intelligence Authority as established by executive decree was authorized to plan, develop and co-ordinate federal foreign intelligence activities. Its members are Secretary of State George C. Marshall, Secretary of War Robert P. Patter-

son, Secretary of Navy James Forrestal, and Adm. William D. Leahy, the President's Chief of Staff.

The NIA's Central Intelligence Group is headed by a director who is a non-voting member of NIA. Under Gen. Vandenberg, CIG began to set up its own espionage system. In addition to ordering the Army to cease its political intelligence work, it directed the FBI to stop similar activities in the Americas.

In 1940 the FBI was made responsible for espionage, counter espionage, and anti-sabotage operations in the Western Hemisphere. The FBI a month ago completed withdrawal of its secret from Latin America.

Army espionage officials, however, were less amenable to orders from the CIG. Hoping that Adm. Hillenkoetter will rescind the orders.

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Friday, May 23, 1947

22—THE WASHINGTON DAILY NEWS, FRIDAY, MAY 23, 1947

Don't Look Now, but Some of Our Top Espionage People Are Bickering

By WILLIAM McMENAMIN
United Press Staff Correspondent

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TEMPER!

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The issue may not be resolved until Congress does something about unification of the armed forces, itself a highly controversial matter.

The battle is over ways and means of accomplishing an objective on which there is general agreement—the operation of a world-wide secret intelligence network. Major antagonists are:

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The controversy started when Central Intelligence Group, when headed by Lieut. Gen. Hoyt S. Vandenberg, ordered the Army to disband its political intelligence work.

Political intelligence in this sense means keeping tabs on other coun-

tries' secret plans. Apparently not involved are Army and Navy intelligence activities of a strictly military nature—the gathering of specific data about other nation's military organizations.

Nor does the battle apparently concern the work done by naval and military attaches around the globe. They are attached to embassies and operate more or less in the open.

The National Intelligence Authority as established by executive decree was authorized to plan, develop and co-ordinate Federal foreign intelligence activities. Its members are State Secretary George Marshall, War Secretary Robert P. Patterson, Navy Secretary James Forrestal, and Admiral William D. Leahy, the President's chief-of-staff.

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Army espionage officials, tho, were less amenable to orders from the CIG. They are proud of the work they have done in the last five years. Starting from scratch, they have built up a system which they feel is effective. They are hoping Admiral Hillenkoetter will rescind the orders sent out before he took over the CIG.

They are trying to build up pressure toward this end in Congress. They contend the CIG action is dam-

aging the morale of their overseas agents.

These antagonists of the CIG cite a House Military Affairs Committee report of Dec. 17, 1946, declaring the CIG should confine its activities to co-ordinating data gathered by other agencies.

'MOST DISTRESSING'

If the CIG should engage in operations of its own, the House report said, "it could not help but emphasize cutthroat competition in a field in which the description is

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Among congressmen concerned over lagging U. S. intelligence work is Rep. Dewey Short (R., Mo.). He said American intelligence is "far behind that of Britain and Russia." He said he was confident, tho, that unification of the armed forces would settle the issue.

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85 JUN 7 1947

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 81 MAY 26 1947

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MAY 23 1947

WASHINGTON NEWS

Page 2

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81 MAY 27 1947

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144 #1

DATE 21 MAY 1947

**FBI Withdraws Agents
From Latin America**

By the Associated Press

The Federal Bureau of Investigation has disbanded its intelligence organization in Latin America, according to a spokesman for the agency.

He refused to elaborate except to say the FBI had maintained "quite an organization" in Latin America during the war. He added, however, he was unable to say how many agents had been used.

Withdrawal of the FBI from the Latin American field was taken as an indication that the Central Intelligence Group, the Government's overall intelligence agency, is taking over and consolidating all intelligence work under its wing.

Available Army officials to comment, or said they knew nothing about reports that the central group also is taking over its world-wide intelligence functions.

The Central Intelligence Group includes representatives of the State Department, the Army and the Navy.

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41 JUL 18 1947

He's From the Missouri

A 'Maquis' Runs Our Central Intelligence

By John G. Norris

Post Reporter

AN American naval officer who worked hand-in-glove with the French underground back in 1940-41 last week became chief of Uncle Sam's new foreign intelligence agency.

He is slim, tallish, Rear Admiral Roscoe H. Hillenkoetter, an Annapolis-trained Missourian who knows Europe's capitals better than he does his hometown, St. Louis.

"Hilly" Hillenkoetter came here last month from Paris, where he was United States Naval Attache and an intimate friend of many top French officials. They have reason to treasure his friendship.

While holding the same post back in Vichy days, he helped smuggle many of France's present leaders out of the country under the noses of the Nazis and Petain's secret police.

The veteran sailor—he'll be 50 years old Thursday—put away his braided uniforms in moth-balls yesterday. As director of Central Intelligence, he'll wear muffs as long as he holds the post.

That promises to be quite a spell. Everyone from President Truman down now agrees that the job demands some degree of permanency.

A Tussle Ends

AMERICANS first peacetime, world-wide intelligence service has had three chiefs in its short life. Rear Admiral William Sidney Souers, USNR, became director when it was organized a year ago. He was followed by Lieut. Gen. Hoyt S. Vandenberg, a nephew of the Senator. Able General Vandenberg returns to uniform to be deputy commander of the Army Air Forces.

This rapid turnover and a tug of war between the Army, Navy, Air Forces and State Department over the role of the new agency has handicapped its growth. The latter difficulty is said to have been settled and Hillenkoetter has been promised a long term to build it into a potent service.

Hillenkoetter was cut out for the job because of his tough jobs. They were in the fields of

intelligence and the sea-going Navy.

The latter career began in World War I as a midshipman on the battleship Minnesota in the Atlantic. After graduating with honors from Annapolis he served in submarines and destroyers and taught at the Naval Academy.

Strategic Bashly

HIS INTELLIGENCE career started with an assignment to Paris in 1933. For two years Hillenkoetter roamed Europe as a naval officer courier. In Moscow he met William Bullitt, then American Ambassador.

Bullitt took a fancy to the naval lieutenant, and when appointed Ambassador to France asked for "Hilly." During the crucial months from April, 1938, to September of 1941 the latter served in France, Spain and Portugal.

Hillenkoetter was a familiar figure in the lobbies and bars of the fabulous Hotel Les Ambassadeurs in Vichy after the fall of France. It was there that he served as a link in the "underground railway" through which thousands of Frenchmen, British and Americans got out of occupied France and the Continent to join the fight against Hitler.

Les Ambassadeurs—often called the "international monkey-house"—was his headquarters. It was also the hangout of most of Europe's spies, diplomats and counter-intelligence agents. Hunted men sidled up to him at the bar. During an apparently aimless conversation they received identi-

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This is a clipping from the
Washington Post
dated 5-4-47 Page 113



ABOARD the "Mighty Mo" in the Mediterranean, the author, Jack Norris, and the admiral, Roscoe Hillenkoetter, shoot the breeze. Of course, at that time "Hilly" was a mere four-striper. That burp at their feet is where the Japs surrendered—where V-J Day got its name

neation papers, gasoline permits, money, or a rendezvous with an innocent-appearing truck heading for the border.

Fine Timing

HILLENKOETTER came home and joined his ship, the battleship West Virginia, just in time to get in the middle of the Pearl Harbor attack. Though wounded, he helped lead the defense and rescue work.

He served next as executive officer of the battleship Maryland and then spent 18 months as Admiral Nimitz' intelligence officer. Later Hillenkoetter commanded a destroyer tender in the South Pacific.

After the surrender of Japan, "Hilly" was given command of the battleship Missouri. He took the "Mighty Mo" on the diplomatic mission to Turkey last spring.

Visits were made to Greece, Italy and North Africa on the way home. The writer, who was one of the group of a dozen American reporters on the mission, asked him afterward what was the toughest diplomatic assignment of the trip.

"Oh, that," he shrugged, "the worst job I had was backing the Missouri into Algiers' narrow harbor."

Hillenkoetter has some definite ideas about his new job. For one thing he is opposed to the exaggerated "hush-hush" attitude of many intelligence people. There is much that must be kept secret about the Central Intelligence Group's work, he feels, but there is also much that can be told.

British Intelligence has been operating since Queen Elizabeth's day, and every Englishman knows about it. They know where its offices are and often turn in important information.

"Hilly" wants CIG to be as familiar to the American man in the street as is the FBI. CIG is located on the second floor of the new State Department Building at 22d and Virginia. The latchstring is out to any one who has information to report.

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Intelligence System 4

Nothing is so important to an adequate American intelligence system as continuity, both of effort and direction. For that reason another change in the leadership of the Central Intelligence Group is to be regretted. At the same time, it would be less than generous not to recognize the valuable service of Lieut. Gen. Hoyt S. Vandenberg during his tenure as director of central intelligence. He pieced together a working top-level organization to evaluate the many reports in a field where lack of coordination previously had been the most conspicuous feature. We hope that his successor, Rear Admiral Roscoe H. Hillenkoetter, will have similar success. Admiral Hillenkoetter's background will help him in his new duties.

General Vandenberg's resignation points up a fundamental weakness in our intelligence setup which is carried over in the new Central Intelligence Authority envisioned under the armed forces merger bill. That is the weakness of permitting a military man to retain his active duty status while serving as director of central intelligence. Inevitably this results in a tendency on the part of incumbents to regard the job as merely a stepping stone in an essentially military career. Hence it invites the trading back and forth between the Army and Navy evidenced by the appointment of two admirals and one general in 16 months. What is needed is to develop the concept of long-term career service in this highly important job. We hope Congress will see to it that the merger bill is amended to establish a specific term of office and to require that the director be in fact a civilian. This need not militate against Admiral Hillenkoetter if he is sincerely interested in an intelligence career, for he can relinquish his active Navy status and retain the directorship as a civilian.

Aside from these deficiencies, the plan outlined for intelligence under the merger is highly significant. The merger sets up as a permanent part of our national policy

activities which so far have had only the tentative backing of an executive order. General Vandenberg outlined the vital functions in his testimony before the Senate Armed Services Committee. Foreign intelligence, he pointed out, is equally as essential in peace as in war. Indeed, good intelligence, in our opinion, can be a potent force for peace, since by acquainting policy-makers with the facts, it helps to insure wise policy. That is the reason we have constantly emphasized a civilian appointment with assurance of continuity of service at the helm of intelligence.

Mr. Tolson ☒
Mr. E. A. Tamm ☒
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WASHINGTON POST
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Asks Peacetime Espionage Setup

WASHINGTON, May 1 (INS). —Lt. Gen. Hoyt S. Vandenberg, retiring director of Central Intelligence, appeared today before a closed session of the House Executive Expenditures Committee to urge creation of a permanent peacetime espionage agency.

He said such action is needed to prevent another Pearl Harbor.

The White House formally announced that Adm. Roscoe H. Hillenkoetter will succeed Vandenberg as chief of Central Intelligence.

Vandenberg will return to duty with the Army Air Forces at the request of Gen. Eisenhower, Chief of Staff.

Although the White House announcement did not specify the nature of Vandenberg's new duties, the War Department subsequently announced he had been named deputy commander and chief of staff of the Army Air Forces. In that post, he succeeds Lt. Gen. Ira C. Eaker, who will retire June 15.

The change in the Intelligence setup is effective at once.

Hillenkoetter recently returned from a European assignment preparatory to taking over the top intelligence post.

Mr. Tolson ☒
Mr. E. A. Tamm ☒
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New York Daily Mirror
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Gen. Vandenberg to New Post

Hillenkoetter Appointed Head Of Central Intelligence Group

By Marshall Andrews
Post Reporter

President Truman yesterday named Rear Admiral Roscoe H. Hillenkoetter head of the Central Intelligence Group, succeeding Lieut. Gen. Hoyt S. Vandenberg. Vandenberg will relieve Lieut. Gen. Ira C. Eaker June 15 as chief of air staff and deputy commander of Army Air Forces upon Eaker's retirement at his own request.

This shuffle precisely bore out speculation which has centered about the two important posts for Permanent Body Urged.

Even while his relief, effective at once, was being announced at the White House, Vandenberg was urging before the House Executive Expenditures Committee approval of a bill establishing a permanent central intelligence agency. The present temporary agency was set up by executive order January 22, 1946.

After the committee meeting, which was closed, Vandenberg issued a statement terming the proposed legislation "a firm basis on which we can construct the finest intelligence service in the world." He said the United States was forced early in World War II to depend upon the British for intelligence of the enemy and added that this country "should never again have to go hat in hand, begging any foreign government for the eyes—the foreign intelligence—with which to see. We



Associated Press WIREPHOTO

REAR ADMIRAL ROSCOE H. HILLENKOETTER

President's choice

should be self-sufficient. The interests of others may not be our interests.

"In my opinion, a strong intelligence system is equally if not more essential in peace than in war. We must have this intelligence if we are to be forewarned against possible acts of aggression, and if we are to be armed against disaster in an era of atomic warfare."

"War Revealed Gaps"

Vandenberg recalled that before the recent war "it was felt there was something un-American about espionage and even about intelli-

See APPOINT, Page 4, Column 5.

APPOINT

From Page 1

gence generally, but said the war had revealed "immense gaps in our knowledge."

He emphasized that the proposed Central Intelligence group would not duplicate or interfere with the work of any other department. The bill contains, he pointed out, a prohibition against the exercise of police powers and internal security functions by the bureau which would assure that it "can never become a Gestapo or security police."

At the White House, Press Secretary Charles Ross said Vandenberg had been released at the urgent request of Gen. Dwight D. Eisenhower.

Admiral Hillenkoetter, who was intelligence officer on the staff of Fleet Admiral Chester W. Nimitz during the war, recently returned from Paris to take over his new job. He is a native of St. Louis and a graduate of the Naval Academy.

His experience includes service as naval attache and assistant naval attache at Paris, Madrid and Lisbon. Last year he commanded the battleship Missouri when it conveyed the body of the Turkish Ambassador to Istanbul and later made calls at ports in Greece, Italy and North Africa.

His Navy career has included service on submarines and destroyers and at various shore stations. Wounded at Pearl Harbor while executive officer of the battleship West Virginia, he was transferred as executive officer to the battleship Maryland, with which he saw action in the Pacific. He was in charge of intelligence on Nimitz's staff from September, 1942, to March, 1943.

Vandenberg, a nephew of Senator Vandenberg (R., Mich.), became director of the Central Intelligence Group after serving as head of the intelligence section of the War Department General Staff. He succeeded Rear Admiral Sidney W. Souers, who inaugurated the office.

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WASHINGTON POST
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 Miss Gandy _____

Intelligence Group Headed By Admiral Hillenkoetter

President Truman today relieved Lt. Gen. Hoyt S. Vandenberg as director of United States intelligence and replaced him with Rear Admiral Roscoe H. Hillenkoetter.

Although the White House announcement did not specify the nature of Gen. Vandenberg's new duties, the War Department subsequently announced that he had been named deputy commander and chief of staff of the Army Air Forces. In that post, Gen. Vandenberg succeeds Lt. Gen. Ira O. Eaker who will retire June 1.

The change in the intelligence setup is effective at once.

Admiral Hillenkoetter has just returned from a tour of duty as naval attache at Paris.

Gen. Vandenberg has headed the central intelligence group since last June.

It is part of the Central Intelligence Authority organized in January, 1946, to co-ordinate the Government's foreign intelligence.

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WASHINGTON STAR
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Central Intelligence

Important strides have been made toward developing a genuinely unified American intelligence system. The armed forces merger bill now before Congress, for instance, recognizes the significance of adequate intelligence by placing the Central Intelligence Authority on a top level directly under the National Security Council. But the position of director of central intelligence has not yet been clarified. By rights this job should be one of high honor and long tenure, the climax of a career in intelligence work. Instead, if past experience of the Central Intelligence Group is a guide, it will be regarded as a shelf, interrupting the essentially military ambitions of the men assigned to it. Since the post was created by executive order 15 months ago, two officers, an admiral and a general, have served as director of Central Intelligence. Now the incumbent, Lieut. Gen. Hoyt S. Vandenberg, reportedly is planning to return to the Air Forces. His successor, according to the same reports, is to be another admiral. We hope, but we are not too sanguine, that the newcomer will view the job as an end in itself rather than as a means to another end.

Evidently the idea in the minds of the promoters of the merger is that the office should be filled by a military man, though, to be sure, appointment of men from civilian life is not ruled out. However, the bill explicitly permits the director to maintain a dual status, if he is a military man, by remaining on the active list. Moreover, the bill has another serious weakness. While it does establish an adequate salary for the director of Central Intelligence—\$14,000—it sets up no definite term of office. In view of the detrimental effects of a rapid turnover in this job, we think Congress would be well advised to follow the recommendation contained in the exhaustive report of the House Military Affairs Committee published last December. That report suggested a preliminary term of two years for the director and a permanent term of 10 years.

There are other equally cogent reasons why the permanent director of Central Intelligence should be divorced from active military status. The all-important task of the Central Intelligence Authority is to summarize, evaluate and distribute informa-

tion from all sources to our high policy-makers. We have not suffered from lack of information-gathering agencies. The crying need has been for over-all evaluation. If the Central Intelligence Authority is to fill the gap, it cannot become embroiled in inter-service politics or jealousies. Inevitably, perhaps unconsciously, a military man would tend to favor reports of his own service, perhaps to the exclusion of more reliable information. The same argument can be made against Central Intelligence descending to the operational level to compete with existing information collecting agencies.

In these days of iron curtains, accurate intelligence on foreign conditions is of far greater importance than ever before. While Congress is acting to provide greater national security through the armed forces merger, it must not neglect the prerequisites for an efficient, unified, long-range intelligence system, which is the *sine qua non* of our future plans.

Mr. Tolson ☒
Mr. E. A. Tamm ☒
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WASHINGTON POST
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31 APR 21 1947

CIA Authority Over Lower Echelons Must Be Exercised With Discretion

The problems of an adequate intelligence system are major and many; not all of them can be discussed openly but all of them ought to be studied carefully by Congress.

Here are only a few, which will influence the work of the new Central Intelligence Agency and the functions and efficiency of the Army's G-2, the Air Forces A-2, the Navy's Office of Naval Intelligence, the State Department's intelligence units, the Federal Bureau of Identification and other agencies:

Funds.—Each individual intelligence agency must have moneys separately appropriated; some of these funds will have to be "concealed," but the total must be adequate. There should be no cut in intelligence appropriations. Moneys for the new Central Intelligence Agency should be appropriated directly to it, and for it, indirectly, by earmarking specific funds in the State, War and Navy Department budgets.

Personnel.—There must be provision for a permanent director of the caliber of a Compton or a Conant, and for at least a strong cadre of long-term, thoroughly competent personnel to staff the CIA and other intelligence agencies. This cadre must make intelligence their career; they must be the equivalent of the skilled and specialized British civil servants who provide the continuity and the expert "know-how" without which no organization will properly function. However, there must also be provision for the periodic infusion of new blood and new brains into the intelligence services, particularly into the Central Intelligence Agency which must concern itself with the broad aspects of "strategic intelligence."

This might be done as Dr. George S. Pettee has suggested in his admirable book—"The Future of American Secret Intelligence"—by providing the equivalent of intelligence "internships" of two or three years duration to certain carefully culled and qualified college graduates. The long-term professional G-2 mind has a tendency to "set"; it may become a narrow mind, an arrogant one and, worst of all, a cocksure one. This must be avoided at all costs.

Organization--Should the Central Intelligence Agency be a command, or a coordinating agency? In practice it will probably have to be both. It probably cannot have any direct line of command, and its authority over lower intelligence echelons must be exercised with tact and discretion through the personality of its director and through the authority conveyed to it by the National Security Council, which will be the CIA's governing body. It goes without saying that the CIA must be kept

metestically, although this is part of its function in foreign fields.

//Counter-espionage on the home front, a vastly important activity in view of the wide network of subversive and espionage activities of the Communists, is the function of the Federal Bureau of Investigation, and must remain so, in order to avoid dangerous over-centralization of power in the new CIA. But some means must be found to strengthen domestic counter-espionage. The FBI is rightly praised as a splendid internal investigating agency, deserving its overpublicized reputation as a counter-espionage agency.

Mr. Tolson
Mr. E. A. Tamm
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N. Y. Times
DATED 4-10-47
FORWARDED BY N. Y. DIVISION

The Central Intelligence

5 AUG 1947

Inquiry for Intelligence

Anti-Espionage Part of Meiger Bill Is Held Vague and Susceptible of Abuse

By HANSON W. BALDWIN

The world of E. Phillips Oppenheim, the shadowy world of spies and intrigue, codes and ciphers—and plain, hard work—will come under Congressional investigation soon when the intelligence section of the new “merger” bill is considered.

Congress has rarely, if ever, lifted the veil on the quiet activities of American intelligence services, although in secret hearings some of the “mysteries” of intelligence have been revealed. But at this session Congress would do well to study thoroughly the work of our existing agencies and the proposals for future intelligence development.

One of those proposals, included in the new “unification” measure, is the perpetuation of the present Central Intelligence Group as the Central Intelligence Agency. The law, however, provides no clear and detailed definition of the functions of the new group.

Another proposal, already made by the Navy and undoubtedly endorsed by the Army and the CIG, is a bill to make the disclosure by any Government employee of secret, confidential coded information a criminal offense punishable by a \$10,000 fine and ten years' imprisonment.

One Too Vague, One Too Precise

The vagueness of the unification bill, on the one hand, and the precision of the Navy's “official secrets act” on the other are equally dangerous.

Intelligence, in the modern sense, is of global proportions; it must enter into every phase and activity of life; it must work secretly as well as openly; it must often use methods repugnant to the ethics of many. Our military intelligence services have often worked in relatively circumscribed fields; sometimes they have done well, sometimes badly, but past experience has shown clearly that G-2, A-2, and ONI will no longer suffice; a central intelligence group or agency is absolutely essential in this atomic age.

But a central intelligence group which must coordinate, collect and analyze if it is to be effective, implies by its very creation considerable grants of power. It is important, therefore, not only that those grants of power be given—that is an imperative of this age no matter how we dislike it—but that those grants of power be thoroughly defined and reasonably restricted. For the whole structure of democracy is based on a careful allocation and restriction of governmental power. No agency, particularly an agency at work in secret, must have too much power for its boots.

The “official secrets act” carries dangers of its own. Under it terms a great number, perhaps a majority, of governmental decisions, reports, orders, etc., both foreign and domestic, would have to be construed as “secret,” since many such reports are coded.

Might Put Lid on Much News

The act would tend automatically to shut off from the American people a considerable flow of news, and to dam up news at its source. For it is clear that no Government, if the news be embarrassing or discreditable or not to its liking,

will authorize the “release” of such information, and if the press, radio and other agencies of public information have their news sources shut off by fear of punishment anything can happen.

Under such an act, the useful and valuable book recently published by Maj. Gen. John R. Deane and scores of other war histories and memoirs might be banned, or emasculated; under such an act, if administered by one intolerant of criticism, the processes of Government could be much more effectively screened from public view than is possible today.

The act is framed at the instigation of narrow specialists, by those who fear that disclosures of information taken from coded documents or messages might aid a potential enemy to break our codes. This is an admitted risk. But the counter-risk to democratic government of the consequence of the passage of such an act is greater. No “official secrets act” ought to be passed, unless it is very carefully studied and narrowly circumscribed by Congress. But these are only a few of the problems. Congress, in its studies of our intelligence set-up, must take cognizance of the lessons and mistakes of the past. Pearl Harbor comes immediately to mind, but there are other lessons of more recent date.

Internal Struggle for Power

Since the Central Intelligence Group was established more than a year ago, that old malady, the struggle for power, particularly acute in the climate of Washington, has hampered the proper development of the CIG and the coordinate development of the military intelligence agencies.

There has been considerable friction, most of it behind the scenes, between the CIG and G-2 in particular, and considerable discussion among all agencies of the exact functions and scope of the new central intelligence agency—discussions which have not been permanently resolved. There has been friction within CIG itself, and some sniping at the CIG from the FBI, whose counter-espionage functions in Latin America were taken over by the CIG.

There have been mistakes and sometimes a lack of “intelligence,” and some heavy blows to our intelligence establishment. Though parallel with these setbacks has gone some steady development and definite progress.

The final picture is one of a new agency—a new organization—engaged in what is, for Americans, chiefly a new game, a game that knows no rules. It is sometimes a dirty game, sometimes a glorious one, but it is one which must be played with skill if security is to have much meaning in this atomic age. The intelligence agencies of the Government need thorough study, careful organization and full encouragement by Congress.

Mr. Tolson _____
Mr. E. A. Tamm _____
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Times
New York, N. Y.

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1947

WASHINGTON, D. C.

WEDNESDAY

CAPITAL CIRCUS

By JERRY GREENE

IN THEIR haste to work out a reasonably satisfactory bill for merger of the army and navy the legal experts and military technicians, either by design or accident, have put back the pre-Pearl Harbor squeaks in the nation's intelligence organization.

There seems little doubt that Congress will chew over the merger bill, as sent to Capitol Hill by the White House last week, before final passage. And in the process the legislators should not skip by, but take an extra long, hard look at the job of creating a top-flight, efficient and fool-proof intelligence agency.

The Joint Congressional Pearl Harbor Investigating Committee, whatever else it proved, showed pretty clearly that the U.S. was caught with its battleships down largely through a failure to create and maintain the world's best intelligence service.

Furthermore, the committee had some strong words to say about the need for an intelligence corps of long-service professionals and the lack of co-ordination and integration of facilities which existed.

PRESIDENT TRUMAN tried to correct some of the faults when on January 22, 1946, by Executive Order he created the National Intelligence Authority and set up under it the central intelligence group to co-ordinate all of the reports received by the field agents of the army, the navy and the State Department.

The NIA was composed of the Secretaries of State, War and Navy, and a representative of the White House. On the surface, the merger bill simply transfers the duties of the NIA, as regards intelligence, to the new National Security Council.

The Security Council would be the governing body for the proposed permanent Central Intelligence Agency, which would be charged with seeing that everybody in Government who should and had a right to know was posted on latest foreign developments.

THE gimmick was not clear, but it was there in the bill. Under the proposed law, the military, and not the State Department, would be top dog in handling peacetime intelligence functions and there is not the slightest provision that professional super-sleuths would be doing the work.

The present NIA has two military members—the War and Navy Secretaries—and two civilian representatives, the Secretary of State and the White House representative. It is true that the present White House man is Fleet Admiral William D. Leahy but he's not there in his navy capacity.

Now the National Security Council, which would run future intelligence, would be composed of the Secretary of State, the single Secretary of National Defense, the subordinate Secretaries of Army, Navy and Air and the chairman of the National Security Resources Board.

While in peacetime the job of maintaining peace is squarely the duty of the State Department, this outfit would be outnumbered four to one by the military in directing intelligence activities.

There's another small gimmick. The bill doesn't say so exactly but it indicates clearly that the director of the Central Intelligence Agency shall be "any commissioned officer of the United States Army, the United States Navy or the United States Air Force."

We are informed that the services have every intention to rotate the directorship to keep everybody happy—a year or two for the army, then the navy and the air force.

THAT brings up the memory of the Pearl Harbor report in which the Senators and Representatives rather scathingly pointed out that the Office of Naval Intelligence, for example, had three separate heads in the year before Pearl Harbor and ONI only had two intelligence experts as bossmen in a 10-year period.

Already in the space of 14 months, there have been two directors of the Central Intelligence Group, both competent, able men but neither a career cloak-and-dagger man. And now the present director, Lt. Gen. Hoyt Vandenberg, one of the country's ablest airmen, is to be relieved and succeeded by an admiral.

Here we go, off on the same old single-track railroads and trying to stick to the ancient army-navy idea of rotating officers regularly and proceeding on the theory that if he's a smart man he can do anything.

ALL OF which makes about as much sense as assigning Gen. Vandenberg to the command of a destroyer squadron when he leaves intelligence just because his experience needs to be rounded out a little further.

Congress might do well to recall that the bulk of peacetime intelligence work is properly handled through embassies and legations; that State Department communication facilities are used and that the information picked up is needed first by the diplomats in their maneuvering to keep peace, after a fashion.

There has been and will be no intent to hamstring the purely departmental spy activities of the army, the navy and the air forces. It's up to the co-ordinating group to see that anything they pick up reaches proper channels in other agencies. But the big job is civilian and diplomatic—the responsibilities are clear.

If the U.S. is to have the intelligence network it deserves Congress will have to work out a reasonable balance between civilian and military—and do something about making intelligence a career, not an occasional two-year tour of duty in Washington.

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 Miss Gandy ☐ *()*

See Me ☐ *()*
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 For Your Recommendation ☐ *()*
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Washington Times Herald
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 Mr. Nease _____
 Miss Gandy _____

Passing.

Hillenkoeter Heads Intelligence Report

By United Press.

An informed War Department source said today Lieut. Gen. Hoyt S. Vandenberg will be replaced on or about May 1 as head of the Central Intelligence Group by Rear Admiral Roscoe H. Hillenkoeter.

Supervision

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WASHINGTON NEWS
 Date 2/26/47

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Army's World Intelligence Ring Reported Halted by New Agency

By ANTHONY LEVIERO

Special to THE NEW YORK TIMES.

WASHINGTON, May 20—The National Intelligence Authority, it was learned today, has compelled the War Department to liquidate its world-wide secret intelligence network.

The authority also has caused the disbanding of the undercover system which the Federal Bureau of Investigation had operated in Latin America for the last seven years.

A spokesman for the FBI acknowledged today that the Latin American organization had been broken up, and that the last of its secret agents had been withdrawn about a month ago.

For more than a year the National Intelligence Authority has been creating its own secret intelligence system to supplant the organizations operating abroad. Officials familiar with the changes criticized them on the grounds that a new network was being sub-

stituted for two organizations which were tested in wartime.

Security restrictions, however, made it impossible to obtain an appraisal of the quality of the replacements and the efficiency of the new system.

The Army's foreign undercover system was only five years old when it was ordered abolished, and was said to have been built up arduously under difficult wartime conditions. Its liquidation process was described as being equally difficult and expensive, but details were not publishable because of security reasons.

The Army network was said to have made an important contribution in the task of evaluating the strength and determining the intentions of enemies and potential enemies.

This operation by secret agents

Continued on Page 2, Column 2.

Mr. Tolson.....
Mr. E. A. Tamm.....
Mr. Clegg.....
Mr. Glavin.....
Mr. Ladd.....
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Mr. Pennington.....
Mr. Quinn Tamm.....

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FBI Quits Work in Latin America

CLIPPING FROM THE

N. Y.

Times

MAY 21 1947

RECEIVED BY N. Y. DIVISION

INTELLIGENCE RING OF ARMY IS ENDED

Continued From Page 1

came under the heading of political intelligence and is not to be confused with the function of collecting strategic, tactical and technical data of the combat organizations. This latter function will remain in its traditional sphere under the policy control of the Intelligence Division of the War Department General Staff.

It was asserted that the Army network was an independent system without any connection with American embassies and attachés abroad. The Russian spy system cracked by the Canadian Government last year was traced to the Soviet Embassy in Ottawa.

There have been previous reports that the FBI had been supplanted in Latin America. The effect of this action by the National Intelligence Authority, it was said today, was to withdraw every under cover agent and put him into domestic service in this country.

An official asserted that all American diplomatic missions in Latin America protested the break-

up of an organization which had made many friends and closely collaborated with officials of the countries in which it operated.

The FBI, however, will continue to keep a number of agents for liaison purposes with police departments in Latin America. Their task is not intelligence, it was said, but is an advisory one in connection with conventional police work.

The process of disbanding the FBI network began a year ago. It was established early in 1940 when the bureau was made responsible for espionage, counter-espionage and prevention of sabotage in the whole of the Western Hemisphere.

J. Edgar Hoover, director of the FBI, has stated that several German, Italian and Japanese spy rings were broken up in Latin America, and that there, as in this country, enemy sabotage was effectively prevented.

The National Intelligence Authority which was set up on Jan. 22, 1946, by Presidential directive, consists of the Secretaries of State, War and the Navy and one other person to be named by the President as his personal representative. The latter is Admiral William D. Leahy. The director of central intelligence is a non-voting member of the authority.

The duties of the agency are to plan, develop and coordinate Federal foreign intelligence activities as related to national security.

13319

es she had David, and for exhilaration,
 st, the daily visit of the postman.
 us: Would there be a letter from David?
 ia- With the unexpected and sudden
 he arrival of David, discharged from
 it, the Army for health reasons, and
 the return to every day life, every
 n," thing immediately becomes different
 ery and even difficult. From here on
 in "Young Claudia" becomes a re-
 you flection of the same problems and
 on misgivings which fill the lives of so
 me many returned veterans and their
 by families. Had Claudia become too
 rd, masterful and capable of getting
 her along without a husband's guiding
 hand and solicitous supervision?
 my Was her short-lived desire of going
 ss, on the stage and the few weeks dur-
 she, ing which she worked at it, going
 to ruin their marriage? After all
 she was offered \$200 a week and
 that was a great deal more than
 David could make at the moment.
 Architects were not in demand yet.
 Life went on and the battle of
 feelings and emotions continued,
 until this easy-going but sensitive
 couple found their feet and picked
 up the old threads, so cruelly severed
 after the fateful days of Pearl Har-
 bor.
 Rose Franken's play, "Claudia,"
 was a tremendous success and her
 three other "Claudia" novels have
 won great popularity.
 "Young Claudia," though light
 reading to light readers, has a deeper
 meaning and is a carefully con-
 structed lesson in human behavior.

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SAN ANTONIO, TEXAS
THE SUNDAY STAR
WASHINGTON, D. C.
February 9, 1947

13312

CIG Called Failure as Spy Bureau

Top Men Disappointed; Permanence Depends On Congress

By Constantine Brown

There is a good deal of disappointment in official quarters over the fact that the CIG (Central Intelligence Group) has failed to live up to expectations.

The consensus of top military men and diplomats is that the danger of an armed conflict in Europe this year has been averted. But what will have to face in the future is a question which no one would venture to answer. The gulf between the western countries and the eastern totalitarianism is as wide as ever. Whether it can be narrowed soon is a question which will be partially answered by the results of the meetings of the U. N. Assembly and the Foreign Ministers' Council.

The Central Intelligence Group has been organized to gain a clear picture of what is going on abroad. Its principal weakness consists of the fact that it has been created not by an act of Congress, which would give it permanency, but by an executive order, which gives it a temporary status. Should President Truman change his mind about the importance of the organization, or should the funds which are still at his disposal to be spent without congressional authorization dry up, this vital body for national defense would disappear overnight.

To the average citizen "intelligence" is a word which camouflages spying. As a matter of fact, the military spying angle of intelligence, particularly the central group, should be of relative unimportance. The trained manpower and the new weapons a country may devise are, of course, important and should be known to those who are preparing the Nation's defenses. But there are other matters which have even a greater bearing on the waging of a war.

Dissatisfaction in U. S. S. R.

We have heard recently from some of the best informed quarters that Russia is undergoing a severe domestic crisis. It is said that production difficulties are worrying the Kremlin. To this is added the fact that the Russian soldiers who have returned home have learned that conditions in the interior

tries" and warehouses in the strategic mandated islands in the Pacific without anybody taking serious notice of them. These "warehouses and factories" contained, as we found out later, gun emplacements and fortifications which had to be conquered by our Marines and soldiers at a heavy price. An effective and wide-awake intelligence would have drawn the Government's attention to the fact that there was no reason for such constructions.

Today, more than ever before, every industrial establishment may have a war potential. Only well-trained specialists can draw the important conclusion from facts which appear innocuous and unimportant to the average individual.

It is for this purpose and also to correlate all the reports which are sent by representatives abroad of the War, Navy, State and Commerce Departments, that the Central Intelligence Group was created last year by an executive order from President Truman.

However, being a special organization

and relying for funds on what is controlled money the administration had available, the CIG does not fit its mission. The first chief of the CIG was Rear Admiral Souers, a businessman who served his country well as an intelligence officer in the Navy. Admiral Souers theoretically was interested in the new organization, but could not afford to stay in the Government service. He was replaced last summer by Lt. Gen. Vandenberg, one of the most brilliant air combat officers the war has produced. Gen. Vandenberg's experience in the complex intelligence service was limited to two months as deputy chief of staff in charge of military intelligence. During these 60 days the general showed a keen appreciation of the work in the War Department, but in spite of his ability, he does not possess a sufficient over-all understanding of the complexities of the organization to do it justice.

Although Gen. Vandenberg has been nicknamed "Spark Plug" because of his mental keenness, his organization is still far from being what it should be.

Until the CIG becomes an organization created by an act of Congress headed by permanent officials confirmed by Congress and provided with the necessary appropriations, it is doubtful that an individual, regardless of how able he may be, can do more than a necessary minimum for the defense of the country.

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Permanent U. S. Intelligence Service Urged by House Group

The House Military Committee yesterday urged that Congress make permanent the National Intelligence Authority, with control of all espionage services, set up last year by President Truman.

The committee termed an efficient intelligence service the Nation's "first line of defense" and saw in it insurance against a repetition of surprise attacks like that of the Japanese on Pearl Harbor. While approving the plan for peacetime espionage in the President's directive, the committee pointed out that it could be terminated at any time by Mr. Truman or his successors unless it is written into law.

"We must have sound intelligence and an efficient and effective intelligence service that is entirely American in every respect to get it for us," the committee said in a formal report, "if we intend to play an independent role in the affairs of the world."

Need for an effective espionage system now is more important than ever before, the report said, adding a warning against the traditional American tendency in time of peace to ignore the possibility of war.

As estimated by the President, the National Intelligence Authority

does not engage in the actual work of gathering intelligence, but coordinates and directs the activities of existing agencies in the State, War and Navy Departments. The committee recommended continuance of that system.

It recommended that the director of the central intelligence body be a civilian who, it believed, would be less subject to criticism from the Army and Navy than an individual closely connected with either. The NIA at present consists of the Secretaries of State, War and Navy and a personal representative of the President, and is assisted by a central intelligence body headed by a director named by the President.

Although the committee supported the principle of a national coordinating agency for intelligence, it advised against permitting the organization to do any espionage work of its own. An active central espionage agency, it warned, would in time drive all other agencies from the field, much as the Gestapo eliminated all competitors in Germany "to the detriment of German intelligence."

Representative John E. Rankin (D., Miss.) although not a member of the Military Committee, said he intends proposing a law restoring the Army's counter-intelligence service. His proposal, he explained, would be aimed at uncovering subversive Government employees rather than foreign enemies.

Clipping from

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Wash Post

12-18-46

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JAN 22 1947

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Permanent U. S. Spy Agency Urged

By United Press

The House Military Affairs Committee today called for the creation of a permanent authority to co-ordinate all Government intelligence activities and insure this nation against sneak attack.

In a formal report warning that intelligence is the "first line of defense," the committee recommended that Congress give legislative sanction to the National Intelligence Authority, set up by Presidential directive on Jan. 22, 1946.

"There is no denying that we must have sound intelligence and an efficient and effective intelligence service that is entirely American in every respect to get it for us if we intend to continue to play an independent role

in the affairs of the world," the committee said.

MOST DILIGENT IN PEACE

It recounted American military history and said that in time of peace the people always "find it difficult to believe that any nation on earth would consider attacking us." Therefore, it concluded, intelligence authorities must work most diligently when the nation is not at war.

The National Intelligence Authority is composed of the secretaries of State, War and Navy and a personal representative of the President. It is assisted by a central intelligence group headed by a director appointed by the President.

The committee stressed that the authority does not and should not perform any of the actual work of gathering intelligence. Its function is restricted to directing and co-ordinating

the work of the several intelligence agencies already in existence.

The committee also suggested that the Army study the possibilities of setting up a permanent intelligence corps of "especially qualified officers."

DON'T FOLLOW GESTAPO

Discussing the dangers of actual espionage by the National Intelligence Authority itself, the committee said:

"Most experienced operators in the unusual field of secret intelligence seem to feel that one result would be inevitable; the central agency would in time drive the others from the field, as the Gestapo eliminated its competitors in Germany, to the detriment of German military intelligence."

The report recommended that the director of the central intelligence group be a civilian who would be "less sub-

ject to the control or criticism of any military establishment." This, it said, is "in keeping with American tradition."

Mr. Tolson
Mr. E. A. Tamm
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Mr. Ladd
Mr. Nichols
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Mr. Nease

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87 DEC 31 1946

Washington Daily News
Tuesday, December 17,
1946

57 JAN 10 1947

RE: GENERAL INTELLIGENCE MATTERS

Federal Bureau of Investigation
U. S. DEPT. OF JUSTICE

OCT 18 1946

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Mr. Nease.....

Miss Gandy.....

Weakness In Intelligence

Owing to the confidential nature of intelligence matters, particularly in wartime, it is unfeasible to disclose to public view the operations of our various investigative and espionage agencies. As a consequence, a general immunity is bestowed upon the "cloak and dagger" corps, which, in all likelihood, is not utilized solely to screen "omniscient" activity.

Army and Navy officers for decades have regarded a career in intelligence as a career in oblivion, where honor and rewards are at a minimum. Attempts to shake intelligence agencies from their between-wars somnolence have been viewed as outrageous interference with comfortable tradition. And, in times of emergency, our armed forces have found themselves neither with adequate intelligence files nor with skilled staffs to perform essential intelligence functions. Obviously, then, a highly important field of military activity today is all but overlooked within the armed forces and little understood or appreciated by a majority of civilians.

We seriously doubt if the iron curtain of secrecy is proving its worth in shrouding intelligence matters, for it also provides a screen behind which petty indulgence in personalities is possible. Admittedly, certain information should be closely guarded but concealment has been overworked in the past, particularly by the Office of Naval Intelligence during the recent war. This contention is proved, we believe, by the case of Capt. Ellis M. Zacharias, whose career contains illustrative points on how not to get along in the Navy.

The moral to be drawn in the premises, it seems clear, is: "Don't become an expert in intelligence. Don't study the language, habits and psychology of a potential enemy. Don't attempt to build up a modern agency to investigate the goings-on of your military opponents. Don't make accurate forecasts of what they are going to do." Zacharias did these things—and for his pains he is about to be pitched out of the Navy in mid-career, since in January he is to be retired from the Navy, having passed the age of 54 and not having been promoted to flag rank.

Early in his naval career, Zacharias embraced the unconventional and dangerous notion that it would be a good idea to learn something about the nations which some day this country might be obliged to fight. From a Navy man's point of view, Japan looked to be a logical nation to study; so Zacharias learned to speak the difficult language with fluency and, at the same time, became acquainted with Japanese leaders and their philosophy.

In March, 1941, nine months before the attack on Pearl Harbor, he conferred with Admiral Kimmel and predicted every detail of the Japanese thrust—except the particular Sunday on which it could be expected. But Capt. Harold Train, an officer who had had little if any experience in intelligence, was appointed to head the Office of Naval Intelligence in 1942 when the chief of that agency moved on to sea duty. Only in the closing days of the war were the capable services of Captain Zacharias fully utilized in intelligence matters.

No doubt other analogous cases of failure to exploit intelligence potentialities could be found in the military and naval archives of this country. It is little wonder, therefore, that our intelligence services are weak and ineffective, both in peace and in war.

The Anniston Star
Anniston, Alabama
October 10, 1946

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House Group Would Permit Actual Spying by U. S. Agents

By the Associated Press

An effort to broaden American intelligence activities to permit actual spying abroad shaped up yesterday in the House Military Committee.

Keeping close check on foreign atomic energy developments would be one specific assignment of the contemplated espionage corps.

Full details of the proposal still are being drafted, but a bipartisan group within the committee intends to sponsor some such plan, spokesmen said.

These sources, who asked not to be named, said the Congressmen believe intensified intelligence work is needed to place the United States on a par with other nations.

Congress never has authorized actual spying by American intelligence officers.

The spokesmen said that under the program contemplated, intelligence units now functioning, including the National Intelligence Authority or a similar body, probably would be retained but given greater authority.

The Army, Navy and other departments would maintain intelligence activities, but would clear plans and information through a central group much as is done now. The National Intelligence Authority is composed of the Secretaries of State, War and the Navy and Administrator William D. Leahy, representing President Truman. It has an operating group headed by Lieut. Gen. Hoyt S. Vandenberg to carry out its policies.

Disclosure of the plan to broaden the system followed a special report by H. Ralph Burton, general counsel for the committee, urging "an alert and enlightened international intelligence."

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Clipping from
page 3

Wash Post

10-7-46

57 OCT 15 1946

Intelligence Service Agents Plan Little Undercover Work Abroad

(Second of a Series of Four Articles.)

By Clarke Beach

Associated Press Staff Writer

Does the United States plan a network of undercover agents abroad?

How far is our Government able and willing to go?

It would be naïve to expect direct answers from the departments concerned, but certain facts and attitudes can be learned.

"If we are to have a spy system, it is not going to be in the State Department," says Dr. William L. Langer, who is in charge of that department's research and intelligence.

"Our people are not going to be doing any gumshoe work or ducking around corners. Ambassadors and their staffs can't do dirty jobs like that. It would compromise their position as diplomats."

Military Point of View

Intelligence officers in the Army and Navy have the same point of view. Their representatives abroad are chiefly military and naval attaches accredited to American Embassies and Legations. If their activities offended the governments with which they were working, they would have to be recalled.

"Our naval attaches must get their information through legitimate means," says Commodore Charles J. Rend, acting chief of naval intelligence. War Department intelligence officials feel the same way.

The Central Intelligence Group, the over-all intelligence agency, which works directly under the new National Intelligence Authority, has no personnel abroad and very little in Washington. It is still in the organizing stage.

The State, War and Navy Departments, however, do have hundreds of civilian employees in intelligence. The departments say they are mainly specialists, such as engineers, economists and sociologists, retained to make expert analyses of intelligence data and to provide professional guidance to those responsible for plans and policies.

Little Undercover Work

The truth seems to be that Uncle Sam does little if any undercover work in foreign countries.

During the war, of course, the Army, Navy and Office of Strategic Services (OSS) carried on extensive spying and sabotaging. Usually they worked with resistance movements, such as those in Korea, China, Burma, the Philippines, the Southwest Pacific, Africa, Yugoslavia, France and the Netherlands.

But such activities have ended. When OSS was dissolved last fall the State Department took over its research branch, including about 600 historians, geographers, anthropologists and other specialists. This is the unit which Dr. Langer is organizing.

The wartime international sleuths of OSS, now designated the Strategic Services Unit, have been transferred to the War Department. They have valuable files and highly trained personnel, but the unit's future is uncertain.

Some intelligence experts believe that a system of secret agents is necessary to supplement the work of the attaches, diplomats and official observers. But they foresee great difficulty in establishing it.

American Tradition

Americans are traditionally opposed to spying on other countries with which they are at peace. And nothing could be done without appropriations from Congress.

If that meant explaining the whole undercover program to several congressional committees, nothing secret could be accomplished.

One officer recalls that when large appropriations were sought for atomic bomb research, one committeeman refused to approve the expenditure until he knew just how the money would be spent. He had to be told a great deal of the atomic bomb secret before he could be persuaded.

The British seem to have managed to make their secret service really secret. One hardly sees it mentioned in the British press, and the British Embassy says it doesn't even know the name of the man at the head of it (who happens to be a Gen. Menzies, unless he retired recently).

Mr. Tolson ✓
Mr. E. A. Tamm ✓
Mr. Clegg ✓
Mr. Coffey ✓
Mr. Glavin ✓
Mr. Ladd ✓
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Mr. Tracy ✓
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WASHINGTON STAR
Page 9

(Second of a Series of Four Articles.)

Associated Press Staff Writer

Military Point of View.

The Central Intelligence Group, the over-all intelligence agency, which works directly under the new National Intelligence Authority, has no personnel abroad and very little in Washington.

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87 JUL 16 1946

JUL 26 1946 Clipped from WASHINGTON EVENING STAR for 7-10-46

U. S. Aims at Building First-Class Service on Foreign Intelligence

(First of a Series.)

By Clarke Beach

Associated Press Staff Writer

The United States Government is trying frankly to build up the best foreign intelligence system it can devise.

Nobody doubts the need for it. The only question is whether we are going about it in the right way.

We managed to recover from the sneak attack on Pearl Harbor, but our military leaders warn that we can't afford the luxury of another such surprise party. They say if a treacherous enemy were to attack again, he probably would deliver an annihilating shower of atom bombs.

Probably nothing but foreknowledge of the danger could help us avert disaster.

President Truman laid the cornerstone of the system by establishing in January the National Intelligence Authority. Its job is to plan, develop and co-ordinate all foreign intelligence activities. It is composed of the Secretaries of State, War and Navy and the President's personal representative, Admiral William D. Leahy.

CIG Also Created by Truman. As a full-time administrative unit under the NIA, the President created the Central Intelligence Group to sort out and evaluate information and distribute it to interested Government agencies.

The CIG as now constituted has no part in actually gathering the foreign information. That has been left to State Department representatives abroad, to Army and Navy intelligence officers and employees and to any other agency which might contribute pertinent facts.

The CIG has no funds or personnel of its own. Its staff and operating expenses are donated by the State, War and Navy Departments.

The director of central intelligence, Lt. Gen. Hoyt S. Vandenberg, has no authority to give orders to the several intelligence units which provide him with his information. He must work through the NIA and the various departmental officials.

Nothing in the present setup compares with the British secret service, which for about 700 years has kept the English government informed of foreign governments' intentions and their ability to meet these intentions. The British service is entirely separate from the British Army and Navy, each of which has its own intelligence service.

Still in Formative Stage. The CIG, however, is still in its formative stage, and under the President's directive the NIA can authorize it to perform any intelligence task which it believes can be more efficiently accomplished centrally.

Up to now CIG hasn't had the funds, personnel or opportunity to do much more than compile intelligence reports into a single report which is submitted to the White House and to various high-ranking officials.

In the opinion of many experts the best hope for CIG to become a really effective intelligence unit lies in the President's proposal for unification of the armed forces.

This plan included placing the central intelligence agency under the secretary of national defense, under whom the Army, Navy and Air Forces would be directed.

The central agency would thus have its own funds appropriated by Congress, and its position and authority would be clearly defined.

It seems unlikely the unification bill will be passed this session of Congress.

Mr. Tolson	_____
Mr. E. A. Tamm	_____
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SUNDAY, MAY 26, 1946

INTELLIGENCE UNIT FACES OBSTACLES

Some Members of Congress
Want a New Set-Up That Will
Have Defined Powers

By CABELL PHILLIPS

WASHINGTON, May 25—That change comes slowly in a democracy is nowhere better illustrated than in our faltering efforts to create an effective peacetime foreign intelligence service.

While President Truman, by a directive issued on Jan. 22, created the National Intelligence Authority, with Rear Admiral Sidney W. Souers at its head, there is by no means yet the efficient, integrated agency for which many had hoped.

Its defects are inherent in the nature of the organization, not in the persons chosen to operate it. Moreover, up to now funds have been denied for one of its principal components by a skeptical House Appropriations Committee.

This denial of funds is not necessarily fatal, and there is strong likelihood that they will be restored by the Senate. The House action is significant, however, of the general air of suspicion and hostility with which a large segment of the American public continues to view anything connected with what it assumes to be the "black arts" of espionage and secret intelligence.

Knowledge Is Vital

There is virtually unanimous agreement among informed persons that no government can conduct its affairs safely and intelligently in the present state of international chaos without accurate and up-to-the-minute knowledge of what is going on in the rest of the world.

Starting from scratch in 1942, as we did in so many other things, we began to develop a wartime intelligence agency, the Office of Strategic Services under the direction of Maj. Gen. William J. Donovan.

OSS was abolished Oct. 1, 1945. Its operational functions were turned over to the Army, and its research branch went to the State Department. There was considerable debate after that about the creation of a centralized intelligence agency which would carry on in peace where OSS had left off in war.

What finally evolved was the National Intelligence Authority. This is composed of the Secretaries of War, Navy and State, the Chief of Staff for the President (Admiral William D. Leahy) and the Director of Central Intelligence (Rear Admiral Souers). These are the policy makers.

Intelligence Matters

56 SEP 18 1946

Mr. Tolson ✓
Mr. E. A. Tamm ✓
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CLIPPING FROM THE
N. Y. Times
DATED 5-26-46
FORWARDED BY N. Y. DIVISION

policy makers.

Admiral Directing

Operations are conducted by the Central Intelligence Group, which is presided over by Admiral S. G. S. Under him are assistant directors representing State, Army, Navy and Air Forces.

The director has assembled a staff of about 150 specialists who do most of the planning and correlation. When a particular intelligence project is set up, such as a political study of Yugoslavia, or the design of a new British airplane, the job is assigned to the agency most closely concerned. In the examples cited these would be the State Department and the Air Forces.

Among the particular advantages of the set-up as it now exists they stress the following:

(1) Cooperation among the once highly competitive intelligence offices of Army, Navy and State Department is more likely under pressure from their respective Secretaries than under legislative compulsion.

(2) It has virtually unlimited manpower resources in that it can call on the three departments for whatever personnel it needs.

(3) By drawing its funds by allocation from the departments it not only has a flexible budget but one that is not subject to Congressional scrutiny.

There is, however, a substantial contrary view. Many who were closely identified with intelligence activities during the war insist that the authority will, by its very organizational structure, foster continually on the brink of inter-departmental jealousies.

Other Criticisms

Other shortcomings which critics see in the plan are as follows:

(1) Under a four-man control the agency will be subject to conflicting desires and objectives and to confused administration.

(2) It fails to meet the need for centralized intelligence, since it does not provide for the channeling of all such reports through a single agency where they can be combined, assessed and analyzed.

(3) It does nothing to overcome the shortcomings of our traditional intelligence methods. The most frequently cited example of this is the low estate in which G-2 has been held in professional Army circles.

(4) It does not provide for an elite group of clandestine agents who can be called on in emergencies. This work calls for very special skills which are not easily found. Moreover, it would be politically disastrous if such agents should be arrested by a foreign power and found to be attached to our State Department or uniformed military service.

(5) The device of avoiding Congressional scrutiny of appropriations is more than likely to defeat its own purpose. When Congress "gets wise" to the manner of the authority's financing it may demand a full dress public inquiry which would prove embarrassing.

F.B.I. Becomes 'Secret Service'

By JOSEPH
and
STEWART ALSOP

Washington, April 29. — J. Edgar Hoover, chief of the Federal Bureau of Investigation, is both an able and an ambitious man. One ambition which he has cherished for a long time has been to extend the empire of F. B. I. to include responsibility for foreign clandestine intelligence. It now appears that this ambition is in a fair way to fulfillment. Admiral Sidney Souers is now considering an order which would have the effect of decapitating the strategic services unit, the only existing secret service agency, and handing over its functions to the F. B. I.

The strategic services unit consists of the "cloak and dagger" sections of the defunct Office of Strategic Services. It has two main branches, SI, or Secret Intelligence, and X2, the branch which has the responsibility for foreign counter-intelligence. The order, as now contemplated, would call for the complete elimination of SI and the amalgamation of X2 with the F. B. I. The seriousness of this move would lie in the fact that the experienced administrative and operating personnel of these two sections would leave virtually in a body if F. B. I. took over. The special skills and professional knowledge of the SI and X2 would thus be lost to the American intelligence effort.

Nor is this all. Both SI and X2 have large and immensely valuable files of intelligence material. These files are the result partly of their own efforts, and partly of their close wartime association with the British Secret Intelligence Service, the French Deuxieme Bureau, and the Polish, Dutch, Belgian, Chinese and other intelligence services. If the SI and X2 men resign—and even the messenger boys, according to one informed guess, would probably leave—these files would lose much of their value. Meanwhile the F. B. I., which has had virtually no foreign intelligence experience except in South America, would have to start from scratch to build a foreign clandestine intelligence organization.

In starting from scratch, moreover, F. B. I. would lack another important advantage which both SI and X2 have enjoyed. This is a reasonable measure of co-operation from the British. The British, unlike the Americans, have practiced the complex art of secret intelligence for centuries. Only their co-operation allowed the SI and X2 men to reach a professional standard of competence during the war. The

F. B. I. would have no British help for the F. B. I. is by no means popular with the British.

One reason among several is that the F. B. I. led the move to force the British Colonel Ellis, who headed the British Secret Service here early in the war, to leave the country. Ellis represented not only the Secret Intelligence Service, but M-16, the counter-espionage organization, SOE (Special Operations Executive), MOE (Morale Operations Executive) and other branches of the British Secret Service in this country. He reported direct to the fabulous Major General Monzie, head of all British Secret Service, whose name is quite unknown to the British public, although he can frequently be found holding forth genially in the famous White's Club, in London. Ellis's primary job was the protection from sabotage of those factories in this country making British munitions. The F. B. I. opposed Ellis because his work overlapped with theirs. The British Secret Service, like the elephant, never forgets.

There is still another aspect of the proposal to hand over the clandestine intelligence function to the F. B. I. which deserves the most serious consideration. Before V-J Day, Major General William Donovan submitted a paper to the Joint Chiefs of Staff recommending an independent American intelligence agency. This top secret document was leaked to the press, and it was widely attacked as a plan for an American Gestapo. Such accusations were obviously silly, since the proposal included no internal security force. If the F. B. I. adds to its present functions the responsibility for espionage, however, this country will in fact have what only such nations as Germany, Japan, Spain and Russia have heretofore boasted, a secret service with the responsibility for both foreign espionage and internal security, and with the power of internal arrest. No secret service of the democratic countries has had this basic power. It would be folly to suggest that the F. B. I. would in fact use its powers as they have been used in the totalitarian countries. Nevertheless, the pattern would be established, and it is a dangerous pattern.

It was for this precise reason that the forceful Edgar Hoover was excluded in the original executive order prepared by the chiefs of the State, War and Navy Departments from any participation in an advisory committee. It is still quite new functions F. B. I. will

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87 MAY 15 1946

Clipped from
Winston-Salem Journal

Apr. 30, 1946

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JOSEPH & STEWART ALSOP—

FBI Plus X2 Equals Danger

Washington, April 30. J. EDGAR HOOVER, chief of the Federal Bureau of Investigation, is both an able and an ambitious man. One ambition which he has cherished for a long time has been to extend the empire of FBI to include responsibility for foreign clandestine intelligence. It now appears that this ambition is in a fair way to fulfillment. Admiral Sidney Souers is now considering an order which would have the effect of decapitating the Strategic Services Unit, the only existing secret service agency, and handing over its functions to the FBI.

The Strategic Services Unit consists of the "cloak and dagger" sections of the defunct Office of Strategic Services. It has two main branches, SI, or Secret Intelligence, and X2, the branch responsible for foreign counter-intelligence. The order, as now contemplated, would call for elimination of SI and the amalgamation of X2 with the FBI. The seriousness of this move would lie in the fact that the experienced personnel of these two sections would leave virtually in a body if FBI took over, and the large and valuable files of intelligence material would lose much of their value. Meanwhile, the FBI, which has had virtually no foreign intelligence experience except in South America, would have to start from scratch to build a foreign clandestine intelligence organization.

FBI would lack another important advantage which both SI and X2 have enjoyed. This is a reasonable measure of co-operation from the British. The British, unlike the Americans, have practiced the complex art of secret intelligence for centuries. Only their co-operation allowed the SI and X2 men to reach a professional standard of competence during the war. The FBI would have no British help, for the FBI is by no means popular

with the British. One reason among several is that the FBI led the move to force the British Colonel Ellis, who headed the British Secret Service here early in the war, to leave the country. Ellis' primary job was the protection from sabotage of those factories in this country making British munitions.

The FBI opposed Ellis because his work overlapped with theirs. The British Secret Service, like the elephant, never forgets.

Another aspect of the proposal deserves serious consideration. Before V-J Day, Major General William Donovan submitted a paper to the Joint Chiefs of Staff recommending an independent American intelligence agency. This top secret document was leaked to the press, and it was widely attacked as a plan for an American Gestapo. Such accusations were obviously silly, since the proposal included no internal security force. If the FBI adds to its present functions the responsibility for espionage, however, this country will in fact have what only such nations as Germany, Japan, Spain and Russia have heretofore boasted, a secret service with the responsibility for both foreign espionage and internal security, and with the power of internal arrest. No secret service of the democratic countries has had this basic power. It would be folly to suggest that the FBI would in fact use its powers as they have been used in the dictatorships. But the pattern would be established, and it is a dangerous pattern.

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THE ALSOPS *St. Louis Post-Dispatch* Move to Merge Secret Service With FBI a Dangerous Pattern

By JOSEPH and STEWART ALSOP
WASHINGTON.

(Copyright, 1945.)

JEDGAR HOOVER, chief of the Federal Bureau of Investigation, is both an able and an ambitious man. One ambition which he has cherished for a long time has been to extend the empire of FBI to include responsibility for foreign clandestine intelligence. It now appears that this ambition is in a fair way to fulfillment.

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The order, as now contemplated, would call for the complete elimination of SI, and the amalgamation of X2 with the FBI.

Mass Resignation Likely.

The seriousness of this move would lie in the fact that the experienced administrative and operating personnel of these two sections would leave virtually in a body if FBI took over. The special skills and professional knowledge of the SI and X2 would thus be lost to the American intelligence effort.

Nor is this all. Both SI and X2 have large and immensely valuable files of intelligence material. These files are the result partly of their own efforts, and partly of their close wartime association with the British Secret Intelligence Service, the French Deuxieme Bureau, and the Polish, Dutch, Belgian, Chinese and other intelligence services.

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Dangerous Pattern.

There is still another aspect of the proposal to hand over the clandestine intelligence function to the FBI which deserves the most serious consideration. Before V-J day, Maj. Gen. William Donovan submitted a paper to the Joint Chiefs of Staff recommending an independent American intelligence agency. The press learned about this top secret document, and it

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OFFICE OF DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

TO

OFFICIAL INDICATED BELOW BY CHECK MARK

Mr. Tolson

Mr. E. A. Tamm

Mr. Clegg

Mr. Glavin

Mr. Ladd

Mr. Nichols

Mr. Rosen

Mr. Tracy

Mr. Carson

Mr. Gurnea

Mr. Harbo

Mr. Hendon

Mr. Nease

Miss Gandy

Mr. Clegg

See Me ()

Note and Return ()

For Your Recommendation ()

What are the facts? ()

Remarks:

MONTREAL GAZETTE

MORNING EDITION DATED APRIL 30th, 1946

Mr. E. A. ...
Mr. Clegg ...
Mr. Glavin ...
Mr. Ladd ...
Mr. Nichols ...
Mr. Rosen ...
Mr. Tracy ...
Mr. Carson ...
Mr. Egan ...
Mr. Gurnea ...
Mr. Hendon ...
Mr. Pennington ...
Mr. Quinn Tamm ...
Mr. Nease ...
Mr. Gandy ...

"FBI" May Become "Secret Service"

By JOSEPH and STEWART ALSON

Washington, April 29.—J. Edgar Hoover, chief of the Federal Bureau of Investigation, is both an able and an ambitious man. One ambition which he has cherished for a long time has been to extend the empire of FBI to include responsibility for foreign clandestine intelligence. It now appears that this ambition is in a fair way to fulfillment. Admiral Sidney Souers is now considering an order which would have the effect of decapitating the Strategic Services Unit, the only existing secret service agency, and handing over its functions to the FBI.

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National Intelligence Authority

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MAY 1 1946

52 MAY 15 1946

Spy' No Kid Game, in War or Peace, We Know—Now

By Thomas N. Johnson

NEWSPAPERS, magazines, books, the movies and the radio are reveling in "now it can be told" stories about wartime Secret Service exploits. Rattling good stories they are, too, with some of the best still to come. The cumulative effect is to give the impression that our secret war was just a procession from victory unto victory. The truth is that while we had our brilliant triumphs, we had many defeats and failures, often unnecessary, that cost us heavily in time, money and lives.

Both our successes and our failures teach the same lesson. The spectacular results won by good intelligence work show how valuable it is; our failures, most of which occurred early in the war, show how costly is unpreparedness and improvisation. We must build a permanent, well-manned intelligence service, to tell our Government what really goes on in this confused, uneasy world.

World War I had shown, and early World War II had confirmed, that such a service is the indispensable eyes and ears of statesmen, armies and navies. Yet we had done little about it when Pearl Harbor burst upon us—in part, of course, because of that very neglect.

Spirit of '76

IT IS shocking how little we knew. Undersecretary Dean Acheson admits that the State Department technique of gathering information differed little, essentially from that of Revolutionary War days.

Of our several services gathering information—State, War, Navy and others—none was doing a good job. None knew what to expect of the others and they seldom worked together. A Joint Intelligence Board, authorized three months before Pearl Harbor, got going three days after the fatal morning.

Although war in the Pacific had long threatened, about all we knew of some Jap-held islands was their latitude and longitude. The State Department, thinking such activity might irritate a "friendly power," had hampered Navy's efforts to find out before Pearl Harbor. Afterward, Naval intelligence frantically questioned anyone—beachcomber, pearl diver, whaler, missionary—who had ever seen a Japanese island, no matter how long ago.

Learned From Foe

WE MASSED ships and troops against Kiska after the Japs had sneaked away. On Guadalcanal our Marines had to depend on maps captured from Jap corporals. We plunged into New Guinea depending on a jungle manual evolved in Panama. After heavy losses we threw away the manual and learned jungle fighting from the Japs, a life for a life.

We suffered our first defeat in Africa partly because, when Rangers captured an enemy order concerning Rommel's counterattack through Faid Pass, an important headquarters had no one who could read it. We were keeping our translators too far rearward. Thereafter, they and all American combat intelligence operatives worked farther front than those of any other army—with excellent results.

Army Air underrated the quality and quantity of Japan's planes and airmen. Navy knew more—but for long the knowledge was not shared. We knew relatively nothing about the enemy's vulnerable bombing targets either in Europe or Asia. Seventy per cent of Jap aircraft engines were made in two plants, which no American had ever seen. Air Intelligence said the German electric system could not be crippled by bombing power plants, so we did not try. Now we know it could and should have been done.

No Message Center

INSTRUCTIONS from Washington to Naval Intelligence officers on how to improve their work were found after Pearl Harbor in a safe—still undistributed. One peace-minded diplomat protested: "Change my code! Why, that code's good! I've been using it 20 years!" Yet the State Department took days to decode messages and distribute them to 127 different offices. There was no message center.

Our parsimony now seems incredible. One "Far Eastern Intelligence Section"—covering Japan, China, Southeast Asia and Siberia—consisted of one officer and one woman clerk. An Intelligence officer who gave \$500 for diagrams of a hostile power's airfields was rebuked for extravagance. Washington made a military attache in Berlin pay from his own pocket for a code cable warning that Hitler would march into Prague.

State, War and Navy gathered intelligence largely the cheap way—through openly accredited dip-

Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

Jules
York

National Intelligence Authority

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omatic and consular representatives and occasional patriotic volunteers. Sometimes this worked. But mostly our attaches saw and heard only what their hosts let them. Some ambassadors forbade attaches to travel, or seek information in libraries, lest they appear to be spying. Hiring spies, we felt, was a low business—also expensive.

The Jigsaw Method

DESPITE popular belief, however, secret intelligence work is less important than open intelligence. Spying and intrigue play their part, but fully as fascinating and often more effective is the role of scholars, scientists, analysts and just common-sense men who gather information in obvious ways. Topographical and weather data on the Aleutians came right out of the Library of Congress. A picture in a German magazine first told us of a new 40 mm. anti-aircraft gun. A Nazi guidebook photograph of an autobahn tunnel suggested an underground factory and an aerial photograph confirmed it.

But through an American censor's slip an American magazine revealed that we were checking the output of Jap plane factories by numbers on plates on captured planes. The Japs, who—like the Germans—got our papers and magazines through Argentina, stopped numbering their planes.

Intelligence tried everything, however laborious. To locate German oil refineries and shipping routes, hundreds of researchers checked freight rate and carloading reports and bills of lading. Toyko city directories giving business addresses of metallurgists and chemists, checked against aerial photographs, revealed camouflaged war plants.

The Pieces Fit

INTELLIGENCE puts everything together. The location of the Japs' only operating plane plant on the Asiatic mainland, for instance, first involved the discovery of the Manchurian Aircraft Corporation's address in a public document written in English—the Manchurian Year Book. This address was plotted on a city map of Mukden which had been brought back to this country by an American traveler. The address then was correlated with photographs of the city taken by a P-38 which flew alone on a dangerous mission from a secret North China base in the summer of 1944.

A German prisoner helped solve the mystery of one of the submarine's trickiest defenses, the "Pillenwerfer." The U-boat shot chemical pills into the water astern. They made bubbles which sounded to our asdic listening device like the submarine itself. While we depthcharged the bubbles, the submarine would escape.

This fooled us until April, 1942, when a depth charge brought bright red bubbles to the surface. Intelligence officers analyzed them. Presently they captured the commander of another submarine.

The intelligence officer remarked casually to the German, "The bubble didn't work this time." The German started: "Oh, we know all about that." The American gave details, inspired guesswork, which so impressed the German that he told all.

Experiments showed a difference between bubble sound and submarine sound—and we trained our sub-hunters to spot that difference.

Fatal Six Months

A GERMAN general, captured early in 1943 in Tunisia and expertly "drawn out," boasted of having seen the first V-2 rocket experiments. Shortly after war Flight Officer Constance Babing-

ton Smith, expert photo-interpreter for British-American Air Intelligence, spotted a T-shaped white mark on a tiny ramp near big earthworks and other mysterious installations at Peenemunde.

Peenemunde was bombed most of the hundreds of scientists working there were killed and German research was retarded six months on many new weapons. Some believe Britain was saved and the war won by that six-months' delay.

In all our invasions the first waves were accompanied by intelligence officers who cracked enemy headquarters safes and rushed back valuable papers. Thus was found a chart of minefields off Sicily. Cherbourg was captured more

quickly and cheaply because American agents seized a plan of its defenses in an abandoned dugout.

Imported Guerrillas

RECOGNIZING the enormous value of spies who can parachute behind enemy lines and report quickly by short-wave radio, many Government agencies took up secret intelligence work. One, the office of strategic services, was formed to do nothing else.

To underground movements in 16 countries, OSS dropped 27,000 tons of weapons and supplies and thousands of agents. The latter not only gathered precious intelligence but organized and often led bands in harrying the enemy, destroying supplies, railroads and bridges. Their work greatly aided our D-Day landings. Other agents rescued more than 5000 American airmen. OSS casualties totaled about 100, not exorbitant for the most extensive covert operations in American history.

Scarcely less extraordinary was "Saco"—pronounced "socko"—the Sino-American Cooperative Organization of guerrillas and radio operators of both nations that covered the Chinese coast and most of the interior. Its director, General Tai-li, chief of Chiang Kai-shek's Secret Service, also conducted a school where beautiful Chinese women were taught how to ingratiate themselves with Jap officials, get information from them and then if need be poison them.

Two Ws

QUA CV fab of "Gun Wong," per most woman spy of the both guns, this burly a Jap official who had a husband and tortured her. Thereafter she bossed a flunkies, looting and sinking Jap puppet Chinese ships. "Two" rescued 25 American airmen, feted them prodigiously at banquet tables watched over by six women bodyguards. Declining all pay, she brought us priceless information from a thousand agents, some of them in Jap headquarters in Shanghai.

Phillipine guerrillas installed in General Yamashita's headquarters a microphone that reported verbatim a staff conference in which he told his plans to defend Luzon.

We built, finally, the biggest and best intelligence service we ever had. It helped win the war more than anyone realizes. One as good could help win the peace.

We have bound ourselves under the U. N. Charter to intervene for peace anywhere in the world. We must never again allow our diplomats to face foreign diplomats who are better informed than they; never again permit our generals and admirals to face sudden attack by nations whose intentions and capabilities we misunderstand.

Ten to Our One

WE should know for example what goes on in Russia's satellite states—and in Russia, too. We should know what atomic research she is pursuing. Recently, Russia had in the United States, besides many thousands of "fellow travelers," more than 2000 official observers, including many "inspectors" of the Lend-Lease equipment we gave her. There were in Russia 236 Americans, who could not move without official permission. If Russia insists on maintaining a wall of secrecy, other nations for their own reassurance must try to pierce it.

All departments now doing intelligence work—State, War, Navy, Treasury, Commerce—should continue. We cannot completely merge all those services, but we must coordinate them. There should be regional offices to prevent, as happened in China, 27 American agencies gathering intelligence—and sometimes spying on one another.

In Washington, intelligence should be relayed from the various departments to a central office staffed with experts to analyze the reports and separate wheat from chaff. The result should then be redistributed to all departments concerned.

...step toward that goal was taken last January when President Truman ordered the formation of a National Intelligence Authority, composed of the Secretaries of State, War and Navy and his own representative, Admiral Leahy. The President appointed as director Rear Admiral Sidney W. Spence, a civilian sailor expert engaged mainly in insurance, although lately Deputy Chief of Naval Intelligence.

Warmakers Rule

THIS attempted solution does not satisfy all who are interested. It will give the State Department, which needs intelligence to keep the peace, less voice in gathering it than the Army and Navy, which make war. The Armed Services are preponderant on the new authority, not only in numbers but financially. For funds will come not directly from Congress but through the State, War and Navy Departments, which must get them from Congress.

Already Congress has threatened to slump into its prewar parsimony that kept us purblind. In a spasm of economy last December, Congress threatened to cut off the money for interception of foreign broadcasts which had given many first clues to changing policies of foreign nations. Appropriations for general intelligence research have been cut. All intelligence services have been watered down and the OSS has been demobilized.

The new Authority must be no mere advisory committee. We must continue to squeeze every drop of information from the domestic and foreign press—especially scientific and technical journals, monographs and proceedings of scientific societies. To keep up with the world's best scientific brains we must have in our Intelligence Service the best of ours.

Britain Knows How

A REVIVIFIED service would keep key men in banks, import and export firms, steamship companies, travel agencies, important businesses with worldwide connections. This method has helped Britain build the world's best Intelligence Service.

Also directly under the Authority should be another secret corps, a few men picked for high character and ability, to undertake delicate missions all over the world.

NO NATION can justly resent our playing cleanly a game that all play—often uncleanly. While working toward the ideal of international cooperation we must be realistic enough to secure for ourselves the knowledge that means both peace and power.



If our intelligence had not been the stepchild of the armed forces, we would have known that Germany's electric system could be crippled by power plant raids, such as the one pictured on the Fortuna station at Cologne. We would not have wasted our strength in a landing-in-force on Kiska (top right), only to find the Japs decamped. We would not have had to fight the bloody battle of Guadal (lower left) from captured maps. The amazing results of effective intelligence were demonstrated by Flight Officer Constance Babington-Smith (bottom right), whose spotting of a V-bomb ramp at Peenemunde helped save Britain.

The State Department's Intelligence Squabble

The issues which prompted Col. Alfred McCormack's resignation as chief of the State Department's intelligence service are somewhat obscure. He was overruled by career diplomats in his program for an intelligence agency, but it is difficult to weigh either side's argument until the smoke of the controversy lifts.

Loaned from the War Department, Col. McCormack had hoped to establish a single unit of intelligence for the State Department. When the House sliced \$4,150,136 from an appropriation for the intelligence corps, the State Department decided to divide intelligence among five old-line sections instead of combining in one as McCormack wanted. So he resigned.

Last January the President established a national intelligence authority composed of the Secretaries of State, War and Navy with a personal representative to be named by him. This military and diplomatic espionage system will utilize the three departments' intelligence arms, plus certain services of the F.B.I. and the secret service. It is designed to guard our security and place us on an equal footing throughout the world with countries like Russia and Great Britain.

The resignation of Col. McCormack naturally will pose the question as to whether the State Department services are being most effectively used to promote the indicated objectives of the over-all program.

EDITORIAL

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SUBMITTED BY LOS ANGELES
FIELD DIVISION

LOS ANGELES TIMES

DATED

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Post-Dispatch
St. Louis, Mo.
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DATE
p. JAN 24 1946

St. Louisan in Key Post as Head Of Central Intelligence Agency

R. Adm. Sidney W.
Souers, Who Helped
Draft Plan, Named Di-
rector of Service.

By RAYMOND P. BRANDT
Chief Washington Correspondent
of the Post-Dispatch.

WASHINGTON, Jan. 24—As
director of the new central intel-
ligence group, R. Adm. Sidney
William Souers, U.S.N.R., former
executive vice president of the
General American Life Insurance
Co., of St. Louis, will have one
of the most important key posi-
tions in the determination of
American foreign policy.

Appointed late yesterday by
President Truman, who announced
at the same time that Adm. Wil-
liam D. Leahy would be his "per-
sonal representative" on a four-
man National Intelligence Au-
thority, Souers will be the opera-
tional head of an organization to
correlate, evaluate and dissemi-
nate foreign intelligence relating
to the national security.

In addition to Leahy, the Na-
tional Intelligence Authority will
be composed of Secretary of State



—Associated Press Wirephoto.
R. ADM. SIDNEY W. SOUERS

President Truman said he con-
sidered the new organization a
practical program to make in-
formation available for all who
need it in the transaction of gov-
ernment business. It was not, he
replied in response to questions,
a revival of the Office of Stra-
tegic Services.

While he would not agree that
such an organization in 1941
would have prevented the Pearl

erson of independent means.
Born in Dayton, O., in March,
1892, Souers will soon be 54 years
old. He has had wide experience
in banking business and insurance.
He attended Purdue and Miami
universities, getting his bachelor
of arts degree from the latter in
1914. He was president of the
Mortgage and Securities Co. in
New Orleans in 1920. At the age
of 33 was president of the Piggly-
Wiggly companies of Nashville.
He was financial vice president

of the Missouri State Life In-
surance Co. in St. Louis from 1930
1937, and was elected executive
vice president of the General
American Life Insurance Co. in
1937. He was appointed lieutenant
commander in the Naval Reserve
in 1929, and is a member of the
Naval Reserve Officers' Associa-
tion and the Army and Navy Coun-
cil of St. Louis. He was married
in 1943 to Sylvia Nettell. His per-
manent home is in Lemay,
suburb of St. Louis.

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at San Juan, Puerto Rico, in July 1944, he reported to the chief of naval operations in Washington and was assigned to duty as assistant director of the Office of Naval Intelligence.

As deputy chief of naval intelligence, Souers helped draft the plan of Truman's substitute for a central intelligence service after the recommendations by Col. Alfred McCormack of the State Department had been rejected.

Souers will carry out the national security policies set out by the National Intelligence Authority. He will direct a central intelligence group composed of representatives of the State, War and Navy Departments, and will be assisted by an intelligence advisory board consisting of the heads, or their representatives, of the principal military and civilian agencies, such as the FBI, the Treasury Department special intelligence unit, and others having functions relating to the national security.

No Police Functions

In his own central office, the director will, according to the presidential directive setting up the new organization, "perform . . . such services of common concern as the authority determines can be more efficiently accomplished centrally."

The directive stipulated that no police, law enforcement or internal security functions should be exercised under it.

The selection of Souers bore out forecasts to the Post-Dispatch that Col. McCormack, who had proposed that State Department have general supervision of international intelligence, would not get the important position.

The Post-Dispatch was informed today that Souers was ready to begin immediately the setting up of the new organization. His first task will be the drawing up of an organization chart to be approved by the four-member authority. He will also start selecting from State, War and Navy personnel for his central group, which eventually is expected to have about 100 persons.

His second task will be the coordinating of activities of the various military and civilian intelligence agencies to prevent duplication and triplication. There are also budgetary problems to be solved to cover the purely central operations. He is expected to start shortly the evaluation and dissemination of the foreign intelligence brought to his office.

Most Objections Eliminated

As explained to the Post-Dispatch, the White House plan, which has been a subject of conferences for two months, eliminates most of the objections raised to the State Department recommendations, made in response to a presidential letter to Secretary Byrnes in September, when Truman hastily liquidated the Office of Strategic Services, then under Maj. Gen. William J. Donovan.

One objection to the State Department plan—in addition to the criticism that its central office recommendations were inadequate—was that a State Department official, regardless of honest intention, might "slant" the intelligence reports to the top officials to justify actions already taken or to support a purely State Department position. There was also fear that the War and Navy Departments, historically jealous of each other and the State Department, would not make all of their intelligence reports available to a non-military official.

Co-operation among all the affected agencies is expected to come from national authority, and in difficult cases, by the intercession of Leahy and Souers with the President. If an agency or a department fails to co-operate, the President's ear and arm will be immediately available.

Souers, according to his friends, has the administrative ability to organize and run the central group. He is said to be enthusiastic about his new assignment. He meets one of Donovan's requirements—that the director be

Intelligence Agency Set Up By Truman

By Edward T. Follard

Post Reporter

President Truman yesterday ordered the creation of a National Intelligence Authority and charged it with the task of gathering information about foreign countries that will contribute to American "security."

It will be the first time in this Nation's peace-time history that there has been a central agency handling foreign intelligence. Agitation for some such agency began in pre-Pearl Harbor days during the so-called "spy scare."

Mr. Truman, after months of conferences with State, War and Navy officials, decided against putting the agency in any one department. Instead he directed that the National Intelligence Authority be composed of three Cabinet officers—the Secretaries of State, War and Navy—and a fourth nonvoting member who will be the President's "personal representative."

Coordinator Planned

This fourth official will be called the director of central intelligence, and will be designated by the President. It will be his job, working under the direction and control of the national intelligence authority, to coordinate the activities of the various intelligence agencies of the Government.

He will be assigned, too, to correlating and evaluating intelligence, and to seeing that it is made available to Government departments that ought to have it. This would meet the criticism, often heard in Washington, about the lack of teamwork among departments in matters affecting the national security.

"To Know Other Peoples"

A general idea of the work to be done by the new agency was given in an NBC broadcast recently by Alfred McCormack, Special Assistant to the Secretary of State. McCormack is in charge of the Research and Analysis organization, which was given to the State Department after the breakup of Gen. William (Wild Bill) Donovan's Office of Strategic Services. The operations end of OSS—which during the war carried on secret intelligence and sabotage abroad—was turned over to the War Department.

McCormack, in talking about the Research and Analysis organization, said what was needed was accurate and complete information about foreign countries.

...objective," he said, "is to know and understand the other countries and peoples of the world well enough to live with them in peace—to shape our policy, as it affects other peoples, towards the aim of peace. The second objective is to be prepared for war if it occurs."

Wartime Uses Described

McCormack said foreign intelligence is "the sum total of all information about foreign countries which is relevant to the policies and problems of the Government." It ranged, he said, from estimates of "the political intentions of a revolutionary party in some country to the most detailed kind of information, such as the depth of water at a particular point on a beach where military operations might some day occur." The great bulk of information about foreign countries, he added, could be assembled in this country.

Eighty per cent of the information used in the air war against the Japanese homeland, McCormack said, was physically within the United States when the war started. But to find it all and put it together, he said, took about two and a half years.

"If we are threatened with war again," said McCormack, "we are not likely to have two and one-half years for preparation of essential intelligence. We may not have even two and one-half months. Therefore, we propose to have our intelligence ready for any emergency."

Mr. Tolson

Mr. E. A. Tamm

Mr. Clegg

Mr. Coffey

Mr. Glavin

Mr. Ladd

Mr. Nichols

Mr. Rosen

Mr. Tracy

Mr. Carson

Mr. Egan

Mr. Hendon

Mr. Pennington

Mr. Quinn Tamm

Mr. Nease

Miss Gandy

Miss Gandy
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 Miss Gandy _____

Intelligence Unit Set Up

By Associated Press

President Truman yesterday created a four-man board to develop and co-ordinate the nation's foreign intelligence activities to assure "the most effective accomplishment" relating to the national security.

The board members will be the Secretaries of State, War and Navy, and a fourth person to be named by the President as his personal representative. The board will be known as the National Intelligence Authority.

The secretaries were directed to assign persons from their departments to form a central intelligence group which, under a director of central intelligence, to be designated by the President, will assist the intelligence authority. The director of central intelligence will be responsible to the authority and will sit as a non-voting member.

The President's directive said that under it no police, law enforcement or internal security functions shall be exercised.

Mr. C. ☒
 Mr. C. ☒
 Mr. Glavin ☒
 Mr. Ladd ☒
 Mr. Nichols ☒
 Mr. Rosen ☒
 Mr. Tracy ☒
 Mr. Carson ☒
 Mr. Egan ☒
 Mr. Hendon ☒
 Mr. Pennington ☒
 Mr. Quinn Tamm ☒
 Mr. Nease ☒
 Miss Gandy ☒

State Dept. Takes Beating on Sleuthing

By United Press

President Truman's blueprint for the nation's first agency for unified foreign intelligence represents a defeat for the State Department.

For weeks, the Department and Army and Navy were engaged in a backstage battle over directing future intelligence operations.

Mr. Truman, however, gave the three departments equal status yesterday when he ordered creation of a four-man National Intelligence Authority (NIA). Serving with the Secretaries of State, War and Navy will be a presidential representative, presumably as White House referee.

One name mentioned in high circles as operating director was that of Rear Admiral Sidney W. Souers of St. Louis, Mo., a reserve officer, now deputy director of Naval Intelligence.

The State Department's candidate was said to be Col. Alfred McCormack, special assistant in charge of intelligence.

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National Intelligence Authority Plan

One of the unexplained mysteries of the Roosevelt administrations which were so motivated by the idea of planning in domestic affairs is the failure to plan a co-ordinated foreign intelligence system. The Pearl Harbor disclosures, like a magnetic needle, keep pointing to this failure in its most tragic aspect.

The picture of government departments and agencies dealing with intelligence vital to national defense and foreign policies without knowledge of each other's objectives or general policy is a sorry one. An example was cited by Gen. Marshall in revealing how agents of the Office of Strategic Services without informing the War Department searched the Japanese Embassy offices in Portugal. The Japs detected evidence of the search

and changed their entire military attaché code all over the world. The old code already had been cracked but the institution of a new code deprived our government of an invaluable source of information, particularly regarding the European situation.

The plan which under President Truman's direction the State Department has been preparing is designed to prevent a repetition of the failure to co-ordinate foreign intelligence activities through the creation of a national intelligence authority.

Whatever shape the final plan may take, the need for such a move is hardly debatable. Most Americans had probably taken it for granted that the proper liaison in this respect had long been established.

Mr. Clegg
Mr. Coffey
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen

Wm. J. ...

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U. S. SUPER-SPY NETWORK WILL BLANKET WORLD

State Department Plans Nearly Ready for In- telligence Setup

WASHINGTON, Dec. 16 (UP)—The State Department has about completed its master plan to blanket the world with a super-intelligence system, it was disclosed tonight.

The United States never has had such a system in peacetime. Lack of one permitted Japan to plot world conquest virtually undetected. President Truman moved soon after he took office to correct the situation.

To Strengthen U. S. Abroad

The plan is intended to strengthen this country's foreign policy and to provide sources of information for policy makers. It will be presented for Presidential approval within a week or 10 days.

The plan calls for creation of a National Intelligence Authority. The top layer would be made up of the secretaries of State, War, and Navy, with the Secretary of State, now James F. Byrnes, chairman. In security matters, they would be joined by heads of the Treasury and the FBI.

Aims at Co-ordination

In the past, even during war time, the nation's intelligence units have been piecemeal. Military and diplomatic espionage

arms have operated independently and sometimes at cross purposes. Principal aim of the new program is to co-ordinate them through the State Department. That would mean a cohesive espionage service throughout the world.

Intelligence agents will be directed to keep a check on everything in foreign countries from atomic energy development to the weather. A U. S. diplomat said:

"We are going to make sure we have from the rest of the world all the information necessary to running a foreign policy."

Would Follow OSS

The proposed system would be an outgrowth of the Office of Strategic Services, which is credited with giving the U. S. excellent intelligence protection during the war. On September 20, the President abolished OSS. He transferred its research and analytical branch and its presentation branch to the State Department. Other units were transferred to the War Department.

At the same time Truman mandated Byrnes to take the lead in developing "a co-ordinated system of foreign intelligence within the permanent framework of the Government." He asked the "pertinent experience accumulated during the war be preserved and used in meeting the problems of the peace."

A week after the President acted, Col. Alfred McCormack, director of Army Intelligence, moved into the State Department to direct an interim Intelligence Service and to organize a permanent unit by January 1.

McCormack is expected to have a key assignment in the new system.

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